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PRICES PAID BY FARMERS (1964-ESTIMATED 1978)

JULY 1978



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Strong Demand Boosts Farm Economy

Demand remains strong despite the setback caused by the severe winter weather and the coal strike. According to the latest revised data for the first quarter, gross national product (GNP) adjusted for inflation did not decline but held even with the fourth quarter of 1977. Recent monthly indicators point to an exceptionally strong second quarter. GNP during the first quarter was 10 percent higher than the same period a year earlier and 4 percent higher after adjustment for inflation.

The demand for food and fiber has benefited from the nearly 11-percent increase in per capita disposable income since the first quarter of 1977. The increase was about 4½ percent after adjustment for inflation.

The employment and unemployment picture has been particularly favorable. Employment has increased by more than a million workers from the beginning of the year and, in May, was up nearly 4 million over a year ago. The unemployment rate has been in the 6.0- to 6.2-percent range for the past several months. This compares with 7.8 percent at the end of 1976.

Inflationary pressures intensified during March and April as economic activity rebounded sharply from the low levels of last winter. Both the producer price index for finished goods and the all urban consumer price index rose to double-digit rates. However, the rapid pace of economic activity and, consequently, the demand for food and fiber is expected to slow.

Key economic indicators for May already confirm that the economy will end the second quarter at a slower and more sustainable growth rate than the brisk pace with which it began. The inflation rate may have reached its peak this spring, with some tapering off likely this summer.

Grain Stocks Large, Capacity Tight

With the winter wheat harvest well underway, and still large carryover stocks in storage both on the off farms, the amount of available grain storage capacity could be tight in some areas. June 1 grain stocks totaled 5.2 billion bushels versus 4.2 billion at the same time last year.

The 1974 Census of Agriculture indicated that 5.3 billion bushels of on-farm storage were available that year in 20 major grain producing States. Capacity is estimated to have since increased to about 6.1 billion bushels, based on grain storage reports. On January 1, 1978, farmers in these States held 5.6 billion bushels. By June 1, this quantity had been reduced to 2.7 billion bushels, but on-farm stocks were still 28 percent above a year earlier. Consequently, while capacity has been increased, larger stocks now in storage mean available storage for the new crop may be smaller than last year.

Commercial storage also promises to be tight. Total commercial storage the first of the year amounted to 6.6 billion bushels, about 300 million more than was available in 1977. In mid-June, 42 percent of all commercial storage space was in use, the same as last year. Last year, the trade reported sporadic shortages of commercial space, and it appears that commercial storage will be tight again this year if crops are large.

U.S. GRAIN AND SOYBEAN STOCKS

Commodity	June 1		
	1976	1977	1978
	Mil. bu.		
Corn	1,867	2,365	2,800
Sorghum	154	197	318
Oats	205	165	309
Barley	128	126	172
Wheat	665	1,112	1,174
Soybeans	555	336	500

Planted Acreage of Major Crops Down

Total acreage planted to major crops for harvest in 1978 is estimated at about 340 million acres, down 2½ percent from last year. Larger soybean plantings were offset by reduced corn and wheat acreage

Farmers reduced corn plantings around 1.5 million acres from their April 1 intentions and about 4 million acres from last year. Wheat planted for 1978 harvest is down 11 percent, with most of the cut in winter wheat acreage. Total wheat acreage for 1978 is the smallest since 1973.

Soybean farmers boosted plantings 0.6 million acres from their April intentions to a record 64.3 million acres. This represents an increase of almost 9 percent from 1977 and 28 percent from 1976.

These estimates of planted acreage were published in USDA's *Acreage* report on June 30, after production had already begun on this issue of *Agricultural Outlook*. Consequently, except for this bulletin, this issue was written without benefit of these acreage estimates, which are based on surveys taken about June 1.

PLANTED ACREAGE OF MAJOR CROPS

Crop	1977	1978	
		April[1]	June[2]
	Million acres		
Corn	82.7	80.2	78.7
Sorghum	17.0	15.9	16.6
Oats	17.8	16.4	16.4
Barley	10.6	10.0	9.9
Feed grains	128.1	122.6	121.6
Winter wheat	56.0	48.1	48.0
Durum wheat	3.2	4.1	4.1
Other spring wheat	15.6	13.2	14.2
All wheat	74.8	65.5	66.3
Soybeans	59.1	63.7	64.3
Cotton	13.7	12.9	13.1
Hay[3]	60.5	60.8	61.3
Sugarbeets	1.3	1.3	1.3
Flaxseed	1.5	1.0	1.0
Rye	2.6	2.9	3.0
Tobacco[3]	.9	.9	.9
Rice	2.3	2.6	2.9
Other crops	4.6	[4]4.7	4.8
Total crops	349.4	338.9	340.5

[1] Intentions as of April 1. [2] Reported plantings as of June. [3] Harvested acreage. [4] Partly estimated.

World Weather Critical

Following a slow start because of wet weather, U.S. farmers made very good progress in getting their crops in the ground as the planting season drew to a close in June. Soil moisture conditions have been sufficient in most crop-producing areas to get crops off to a good start, but additional warm weather is needed in the Corn Belt to help crops catch up in their development.

Cool, wet weather delayed spring plantings in Canadian prairie provinces, extensive areas of Europe, and the USSR. In most other areas, weather conditions have been generally favorable for 1978/79 crops.

If world weather conditions are favorable during the rest of the season, 1978/79 world wheat and coarse grain production could rise by about a tenth from 1977/78's 1.07 billion metric tons. Production at this level would again exceed consumption and have a depressing effect on world grain prices. Stocks could expand substantially from year-ago's 175 million tons.

But if growing conditions turn unfavorable, world wheat and coarse grain production could decline slightly in 1978/79.

Food Price Rise Slowing

Retail food prices, which have climbed rapidly in recent months, likely will rise further this summer, but at a much slower rate than during the spring. Recent declines in market prices for meat animals, along with seasonally larger supplies of several fresh vegetables, suggest a slowing in the food price advance.

Third quarter food prices are expected to average around 2 percent above the second quarter, compared with an increase of 4 percent in the second quarter. Prices in the summer quarter may average nearly 10 percent above a year ago. Fourth quarter food prices are not expected to show much change from the third quarter as seasonally lower farm prices offset higher spreads.

For all of 1978, retail food prices still appear likely to average from 8 to 10 percent above 1977 barring any major adverse growing conditions during the last half of the year. In contrast to the last 3 years, the farm value of domestic food commodities is expected to account for between 50-60 percent of the 1978 food price rise. Increases in processing and marketing costs will account for a large share of the price increase.

KEY STATISTICAL INDICATORS OF THE FOOD AND FIBER SECTOR

	1975	1976	1977				1978				
	Annual	Annual	II	III	IV	Annual	I	II	III	IV	Annual
								Forecast			
Prices received by farmers (1967=100)	185	186	189	176	179	183	193	213	216	211	208
Livestock and products (1967=100)	172	177	174	178	177	175	195	216	226	223	215
Crops (1967=100)	201	197	207	174	182	192	192	210	205	198	201
Prices paid by farmers, all items (1967=100)	180	191	204	202	202	202	211	219	223	224	219
Production items (1967=100)[1]	186	198	211	207	206	208	217	227	232	231	227
Farm production (1967=100)	114	117	—	—	—	121	—	—	—	—	—
Livestock and products (1967=100)	101	106	—	—	—	108	—	—	—	—	—
Crops (1967=100)	121	121	—	—	—	129	—	—	—	—	—
Farm income:[2]											
Cash receipts ($ bil.)	88.1	94.3	97.1	90.4	95.9	95.0	100.9	107	105	106	105
Livestock ($ bil.)	43.0	46.4	46.8	47.8	48.9	47.4	52.7	55	58	58	56
Crops ($ bil.)	45.1	47.9	50.3	42.6	47.0	47.6	48.2	52	47	48	49
Gross farm income ($ bil.)	96.7	103.6	107.2	100.8	110.0	106.1	113.3	120	117	120	118
Production expenses ($ bil.)	75.9	81.7	86.5	83.3	88.5	85.7	91.5	95	92	93	93
Net income before inventory adjustment ($ bil.)	20.8	21.9	20.7	17.5	21.5	20.4	21.8	25	25	27	25
Net income after inventory adjustment ($ bil.)[3]	24.3	20.0	21.2	17.5	25.0	21.3	22.3	23	23	23	23
Market basket:[4]											
Retail cost ($)	1,876	1,895	1,932	1,948	1,952	1,937	2,028	2,140	2,172	2,173	2,128
Farm value ($)	784	748	749	755	751	749	806	883	883	866	860
Spread ($)	1,092	1,147	1,183	1,193	1,201	1,188	1,222	1,257	1,289	1,307	1,268
Farm share (%)	42	39	39	39	38	39	40	41	41	40	40
Retail prices:											
Food (1967=100)	175.4	180.8	192.1	194.8	195.4	192.2	201.0	210	214	215	210
At home (1967=100)	175.8	179.5	190.3	192.7	192.8	190.2	199.2	208	213	213	208
Away-from-home (1967=100)	174.3	186.1	199.1	202.8	205.4	200.3	208.2	215	220	225	217
Per capita food use (1967=100)	102.0	105.7	—	—	—	104.7	—	—	—	—	104.7
Animal-products (1967=100)[5]	99.7	104.0	101.4	103.6	105.8	103.7	101.3	101.9	102.3	105.3	103.3
Crop-products (1967=100)	104.9	107.8	—	—	—	105.9	—	—	—	—	106.5
Agricultural exports ($ bil.)[6]	21.9	22.8	6.2	6.3	5.0	24.0	6.1	6.5	6.8	6.1	25.5
Agricultural imports ($ bil.)[6]	9.5	10.5	3.6	3.9	3.1	13.4	3.0	3.9	3.4	3.2	13.5

[1] Including interest, wages, and taxes. [2] Quarterly data are seasonally adjusted at annual rates: 1977 and first quarter 1978 data are preliminary estimates. [3] Includes net change in farm inventories. [4] Quarterly data are given at annual rates. [5] Quarterly data exclude fish products. [6] Annual and quarterly data are based on Oct.-Sept. fiscal years ending with indicated years; quarters indicated refer to fiscal year quarters not calendar year quarters, i.e. IV 1977 means July-Sept. 1977, I 1978 means Oct.-Dec. 1977, etc..

Food and Marketing

Retail food prices, which apparently rose even more than earlier expected this spring, now show signs of leveling this summer. Following a 3-percent rise from the fall to the winter quarter, food prices now appear to be up an additional 4 percent or so this spring. Compared with a year earlier, food prices probably will average around 9 percent higher when data for all of the second quarter become available.

Recent declines in market prices for meat animals, along with seasonally larger supplies of several fresh produce items, suggest that average food prices will be much more stable this summer. However, due to increases which are already in the system, third quarter food prices still are expected to average around 2 percent above the spring quarter and nearly 10 percent above a year earlier.

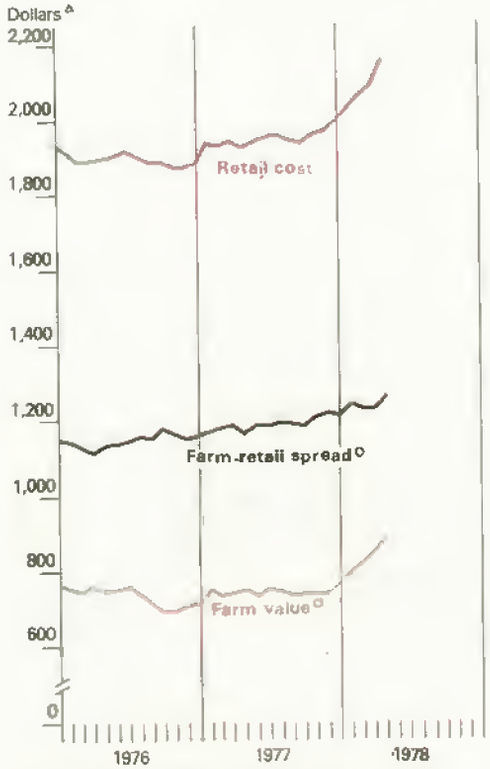
Fourth quarter food prices should show little change on the average from the third quarter as seasonally lower farm prices for major food commodities offset continued increases in food marketing spreads. Thus, fourth quarter prices likely will remain about a tenth above a year earlier. Averaged over the entire year, retail food prices for all of 1978 still appear likely to range from 8 to 10 percent above 1977, barring major weather problems or supply disruptions during the last half of the year.

In contrast to most of the preceding 3 years, the farm value of domestic food commodities is expected to average 12 to 15 percent above a year earlier, and account for between half to as much as three-fifths of the 1978 food price rise. Wider farm-to-retail spreads, representing rising costs for food marketing firms, likely will account for most of the remaining food price increase. Higher prices for imported foods and fish probably will account for a relatively small part of this year's increase in contrast with 1977 when these items represented the principal source of food price pressure.

The further sharp price increases which food shoppers experienced this spring reflected a continuation of the forces which touched off the rise last winter. Strong consumer demand in the face of smaller supplies resulted in sharply higher prices for beef and veal. This, in turn, contributed to rising prices in the entire meat and poultry complex despite expanding output by broiler producers and a relatively large total meat supply. Lower prices for eggs and relatively stable prices for dairy products resulting from generally ample supplies have provided some moderating influence against rising meat prices.

Smaller supplies of citrus fruits and several fresh vegetables, especially lettuce, contributed to sharply higher prices for fresh produce this spring. Grain and soybean prices also advanced further from their low levels of last summer and fall due partly to strong foreign demand. Market prices for these commodities and sugar also increased in response to domestic farm policy actions and proposals. The resulting higher ingredient costs, along with rising marketing and distribution costs, pushed retail prices up for most crop food categories. The continued decline in coffee prices is one of the few exceptions to the general rise.

FARM VALUE CONTINUES UPWARD TREND



△ Annual rate per household for market basket of farm foods. ○ Gross margin received by marketing firms for assembling, processing, transporting, and distributing. □ Gross return to farmers for equivalent amounts of farm foods.

Second Half Food Price Rise To Slow

Retail food prices likely will rise a little further this summer, but at a much slower rate than during the spring. However, the delay in passing through earlier increases in live animal prices, along with continued increases in marketing costs, will tend to limit and delay declines in retail meat prices. Meanwhile, prices for poultry, eggs, dairy products, and fish are expected to register relatively moderate seasonal price increases through the summer months.

Supplies of several major produce items, including potatoes, apples, and citrus fruits, are seasonally low during the summer and their prices will be generally rising. However, supplies of most other fresh fruits and vegetables will be at their seasonal peak. Although average fresh produce prices are expected to remain well above a year earlier, they will likely be receding from their spring peaks. However, further price increases for most of the more highly processed foods, including cereal and bakery products, vegetable oil products, processed fruits and vegetables, and sugar and sweets, likely will contribute to a moderate increase in average summer food prices.

Looking ahead to the fall, seasonal declines in farm prices for most field crops, as well as for major fresh produce items, likely will offset further increases in marketing costs and hold retail prices for foods derived from crops generally steady. Seasonally larger supplies of red meat and poultry may bring lower retail prices for these items

by fall, but further increases for eggs, dairy products, and fishery items likely will be about offsetting. Consequently, average food prices during the fourth quarter are expected to hold about steady with the third quarter, ending the year around a tenth above the last quarter of 1977.

Uncertainties surrounding both the supply and demand sides of food and agricultural markets continue to abound. These uncertainties include weather conditions in major agricultural regions in this country and abroad, decisions on the part of livestock and poultry producers to expand or contract output, and developments on the general economic front which affect consumer purchasing power and overall inflationary pressures.

Unusually favorable weather and a larger output of major agricultural commodities than now seems likely, if accompanied by some slackening in consumer demand, could result in moderate declines in retail food prices by fall. Conversely, major weather problems, disruptions in the flow of commodities to market, or more severe inflationary pressures within the general economy could result in further food price increases throughout the second half of the year. *Larry Summers, (202) 447-8708 and Henry Badger, (202) 447-8454*

RETAIL FOOD PRICES ACCELERATE

Retail Beef Prices Well Above Year-Ago Level

Retail prices for Choice beef reached around $1.70 a pound in May, up 30 cents a pound from May 1977. About three-fourths of this rise has occurred since the first of the year.

Prices for Choice steers averaged almost $57 per cwt. in May, $16 higher than a year earlier. The farm value for 2.28 pounds of live animal less an allowance for byproducts (the equivalent of 1 retail pound of beef) was up 34 cents from a year ago, with practically all of this increase coming since the first of this year.

Since cattle prices rose more rapidly than retail beef prices, farm-retail spreads decreased in most months so far this year. Marketing spreads usually decrease when cattle prices increase as rapidly as they have this year since retail prices are slow to adjust to the new level. Conversely, marketing spreads usually increase when decreases at retail lag behind decreases in cattle prices.

General Rail Rate Increase Approved

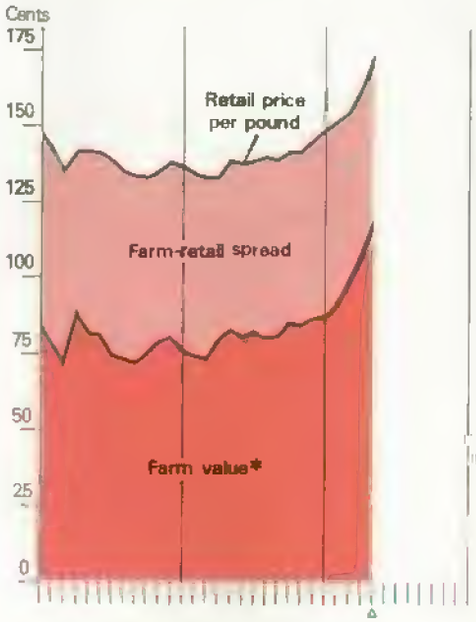
The Interstate Commerce Commission (ICC) has approved a general rail rate increase of 4 percent in the eastern and western territories and between those territories, and a 2-percent increase from, to, and within the southern territory. The increases became effective June 17.

Two holddowns of significance to agriculture were ordered: Feed grains from midwestern origins to points in New England and peanuts from the Southwest to the eastern territory were limited to a 2-percent rise.

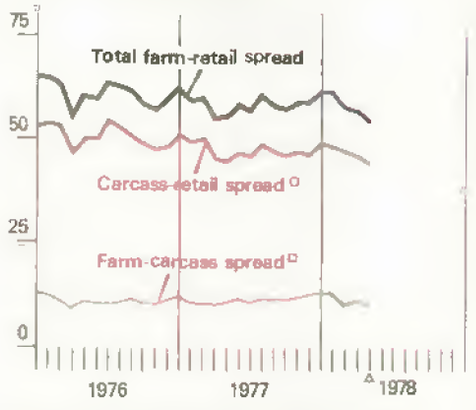
The southern territory will be particularly hard hit by rail rate hikes. On June 12, rail rates for export grain were increased by 5 percent. The general rate increase further raised these rates by 4 percent. For domestic shipments, increases of 5 percent on non-transit grain and 10 percent on transit grain have been approved. When these increases take effect (likely in late July), the 2-percent general increase will be applied on top.

Thus, grain shipment rates within the southern territory have increased at greater than the U.S. average and can be expected to rise still more. These increases can be expected to impact southeastern broiler producers but should have relatively minor impacts for grain exports.

RETAIL BEEF PRICES UP AS FARM VALUES RISE . . .



. . . SPREADS EASE



* Payment to farmer for 2.28 lbs. choice steer less allowance for byproducts. ○ Charges for in-city delivery, wholesaling and retailing. ▫ Charges for marketing, slaughtering, curing, processing, and shipping. △ Preliminary.

No Grades For Ice Cream

USDA has dropped plans for ice cream grades because the public didn't go for the idea. Although many who commented on the proposals did favor the grades, they thought the grades would tell them what ingredients were used in the ice cream. The proposed quality grading system for ice cream developed by USDA would have been based on the flavor, body, texture, and color of ice cream to help consumers identify the various quality levels of ice cream found in retail stores. However, ingredient information will be provided by a Food and Drug Aministration labeling regulation which will take effect July 1, 1979.

The New Consumer Price Index

In this issue, the new Consumer Price Index for all urban consumers (CPI-U), as published by the Bureau of Labor Statistics (BLS), is being shown for the first time in addition to the customary indexes for the unrevised CPI for wage earners and clerical workers. The new series is available for January 1978 forward. The unrevised series will be discontinued after June 1978 data are published, providing a 6-month overlap between series.

The new CPI for all urban consumers, at the national level, covers approximately 80 percent of the total noninstitutional civilian population of the United States. In addition to wage earners and clerical workers, it represents professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

BLS will also publish a revised CPI for wage earners and clerical workers (CPI-W); however, this index represents only about half of the population covered by the CPI-U. Because of its broader coverage, USDA plans to use only the CPI-U for analytical and forecasting purposes.

Based on data for the first 5 months of 1978, the all-food index in the new series (CPI-U) has increased more than in the unrevised series. For May, the new index was 210.3, almost 0.5 percent higher than the unrevised series. Indexes for the food-away-from-home category showed the largest difference, 1.6 percent by May, with the at-home index about 0.5 percent higher in the new series.

Differences between the old and the new CPI indexes reflect major revisions in the weighting structure, sample of cities, items priced, timing of pricing, and pricing specifications. The new CPI was pivoted at December 1977 by setting new series CPI indexes equal to the old series. New weights and pricing techniques are used to move the new indexes forward.

The new index is based on price data collected in 85 areas, compared with 56 areas for the unrevised series. A major change was introduced in the process of item selection for prices within stores. For the unrevised CPI, data collectors selected items conforming to detailed specifications, which are basically the same for every store across the country.

For the new and revised CPI's, the selection of each detailed item is keyed to the sales experience of the store in which it is priced. Data collectors work from a list of fairly general categories in selecting the item to be priced over time. The new procedure gives each variety, brand, and size a chance of selection proportional to its importance in total sales for the general category in the particular store.

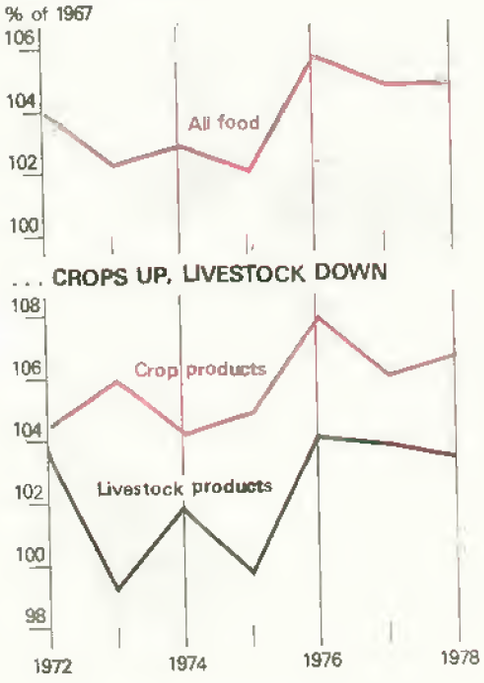
Once selected, the same item is priced over time. As a result, a considerably larger range of goods and services will be priced, giving a much better representation of the varieties that exist in the market place.

Another important change is the time during the month when prices are collected. Food items were essentially priced in the first week of each month in the unrevised series but will be priced during the entire month for the new series. *Henry Badger, (202) 447-8454*

CONSUMER PRICE INDEXES--RELATIVE IMPORTANCE AS OF DECEMBER 1977

	CPI—All urban consumers		CPI—Unrevised	
CPI, all items	100.000		100.000	
CPI, less food	82.282		75.956	
All food	17.718		24.044	
Food away	5.483		5.291	
Food at home	12.235	100.00	18.754	100.00
Meats, poultry, fish, and eggs	3.943	32.23	6.157	32.83
Dairy products	1.654	13.52	2.757	14.70
Fats and oils	.360	2.94	.601	3.20
Fruits and vegetables	1.759	14.37	3.115	16.61
Cereals and bakery products	1.530	12.51	2.513	13.40
Sugar and sweets	.435	3.55	.753	4.02
Beverages, nonalcoholic	1.513	12.37	1.805	9.63
Other prepared food	1.041	8.51	1.052	5.61
Apparel commodities less footwear	4.421		6.258	
Footwear	.716		1.352	
Tobacco products	1.202		1.861	
Beverages, alcoholic	1.095		2.147	

PER CAPITA FOOD USE STEADY IN 1978 . . .



1978 Food Consumption To About Match 1977

The latest update of the 1978 per capita consumption index indicates that total food consumption may be nearly the same as last year. The consumption index of animal products is anticipated to be below last year, but this decline will be offset by increases in the consumption of crop products.

The consumption of animal products may not decline as much as previously expected. The relaxation of beef import quotas raises expected beef consumption about 1 pound per person if the full 200 million pounds of additional beef is imported. Poultry consumption estimates were increased and may show a 6-percent gain over last year. Also, sales of dairy products have been stronger than anticipated due to substantial movements of processed dairy products.

Estimates of consumption of crop products remain the same as a month ago. Increases are anticipated for potatoes, vegetables, and vegetable fats. All types of fruit consumption are estimated to be below last year, as well as beverage consumption. Firm estimates of the consumption of crop foods will not be available until this fall. *Allen Johnson, (202) 447-8707*

Input Costs Pressure Farm-Retail Spreads

By Denis Dunham
National Economic Analysis Division
Economics, Statistics, and Cooperatives Service

Farm prices of food products have risen sharply so far this year. And although costs of labor and other marketing inputs have continued to escalate, there has been little change in farm-retail spreads.

However, monthly changes in marketing spreads are not always in line with changes in costs. This is particularly true for meat products, eggs, and fresh fruits and vegetables because of sharp fluctuations in supplies and farm prices and lags in price adjustments.

Over a period of a year or more, marketing spreads tend to parallel the general rise in costs and prices that is occurring throughout the economy. Therefore, rising costs are likely to keep pressure on marketing spreads and food prices the remainder of the year—offsetting an expected slowdown in the rate of increase in farm prices.

Since labor is the largest single food marketing cost, wage increases have a significant role in widening marketing spreads. Wages show a consistent upward trend.

In the first quarter this year, hourly earnings in food processing and distribution averaged 3 percent above the fourth quarter and 8.9 percent higher than a year earlier. Wage advances were slightly greater in food retailing than in wholesaling or manufacturing, perhaps due to the relative strength of collective bargaining by retail clerks.

Meanwhile, productivity probably has been rising at an annual rate of only 2 or 3 percent based on trends in the industry the past several years. The difference in wage advances and productivity gains would represent an increase of about 6 percent in unit labor costs.

In addition to labor costs, marketing spreads are affected by price increases for a wide array of other marketing inputs, such as fuels, automotive supplies, food containers and packaging, and rents. Prices of these intermediate goods and services are rising at an annual rate of about 7½ percent. Prices of most types of packaging material have been increasing as a result of rising costs of principal raw materials.

The largest price increases have been for glass food containers and tin cans which raise the costs of processing fruits and vegetables and fats and oils. Prices of glass containers rose 8 percent in the first quarter of this year, pushing prices 17 percent above a year earlier. Tin can prices advanced 3 percent bringing the year-to-year increase to 14 percent.

In contrast, prices have been stable for paperboard packaging materials, including milk and ice cream cartons, cereal boxes, and solid fiber shipping boxes. Prices of other paper products, including bread wrappers and grocery bags have been rising at the moderate annual rate of about 3 percent.

Energy prices continue to climb, but the rate of increase is much smaller than in past years. A combined price index of electricity, coal, fuel oil, and gas fuels averaged about 7 percent higher in the first quarter this year than a year earlier. However, energy prices took a sharp jump during 1976, mainly reflecting an increase of 50 percent in gas fuel prices—principally natural and liquid propane gases, which account for a third of the cost of energy used in food processing. Natural gas prices are likely to rise 10 to 20 percent during 1978, which almost certainly will increase food processing costs and margins.

Increases in transportation rates also are likely to raise marketing costs and spreads during the year. Transportation charges make up from less than 5 percent of the marketing spread for meats and other animal products to as much as 20 percent for fresh fruits and vegetables. Railroad freight rates for shipping food products were relatively stable the first 5 months in 1978 after posting a 5-percent increase last December. However, railroads were granted permission by the Interstate Commerce Commission (ICC) to raise freight rates between 2 and 4 percent, effective June 17. Increases will average about 3.7 percent. Earlier this year, the ICC allowed truck freight rate increases ranging up to 7½ percent.

Since profits represent the cost of management and capital, they must be considered with marketing input costs. No trend in profits is apparent in food retailing and processing. Profit rates tend to fluctuate over time in contrast to the steady climb in labor and other costs.

In 1977, profits of food retailing corporations averaged 10.8 percent of stockholder's equity and 0.82 percent of sales, according to data compiled by the Federal Trade Commission. Based on a smaller sample group of 15 leading chains, first quarter after-tax profits of food retailers were probably roughly equal to the fourth-quarter 1977 level which measured 1.0 percent of sales.

However, retailers may have difficulty maintaining profit rates during the year because of escalating costs and a slower growth in food sales. In periods of sharply rising prices, consumers tend to reduce spending on some foods and shift to lower priced items that cut into profit margins.

Profit rates of food manufacturers declined in 1977 following a significant upward trend from 1974 to 1976. Profits after taxes averaged 13.2 percent of stockholders equity for 1977 compared with 14.9 percent in 1976. Profits in the first quarter of 1978 averaged 11.4 percent of equity, compared with 13.6 percent in the fourth quarter of 1977 and 11.4 percent a year earlier.

Recent Publications

Below is a list of selected USDA publications which may be of interest to you. To order reports, you will need to write directly to the issuing agency (indicated in parentheses after each report) at the address listed below. Be sure when ordering to list the publication number and provide your zip-code.

ESCS Reports

The publication order form provided on the inside back cover shows the publication numbers for ESCS reports listed below. Simply circle those you would like to receive and mail to ESCS Publications, Room 0054 South Building, U.S. Department of Agriculture, Washington, D.C. 20250

FAS Reports

FAS Information, Room 5918 South, U.S. Department of Agriculture, Washington, D.C. 20250

State Reports

Publications issued by a State Crop and Livestock Reporting Service may be obtained by writing the address shown in parentheses. No copies are available from the U.S. Department of Agriculture.

New report listings, by subject matter:

Cotton

World Cotton Production To Dip in 1978/79. FC 8-78 (FAS).

Fruit

Europe's Canned Deciduous Fruit Pack Drops—U.S. and Japanese Packs Up. FCAN-2-78 (FAS).

Grains

European Community: Grain Supply/Utilization, Trade Flows, Prices, Marketing Organization. FG-7-78 (FAS).

Reference Tables on Area-Yield-Production of All Grains. FG-8-78 (FAS).

Production and Export Prospects Change for Southern Hemisphere Corn and Grain Sorghum Exporting Countries. FG-9-78 (FAS).

First Forecast of 1978 USSR Grain Crop. FG-10-78 (FAS).

World Hop Production Rises in 1977. FH-1-78 (FAS).

Livestock and Meat

U.S. Customs Service Data on Meat Imports—April 1978. FLM MT-8-78 (FAS).

Oilseeds and Products

World Production of Edible Olive Oil in 1977/78 Lower than Expected. FOP-5-78 (FAS).

Vegetable Fibers

World Sisal and Abaca Output Forecast Near 1977 Levels. FVF-2-78 (FAS).

Miscellaneous

Agricultural Economics Research. April 1978, Vol. 30, No. 2 (ESCS).

Alternative Pricing Policies for Class 1 Milk Under Federal Marketing Orders—Their Economic Impact. AER-401 (ESCS).

Effects of Small Watershed Development on Land Values. AER-404 (ESCS).

Retail Meat Prices in Perspective. ESCS-23 (ESCS).

Foreign Ownership of U.S. Real Estate in Perspective. ESCS-24 (ESCS).

Alternative Futures for World Food in 1985, Vol. 2, World Gol Model Supply-Distribution and Related Tables. FAER-149 (ESCS).

An Econometric Analysis of Export Supply of Grains in Australia. FAER-150 (ESCS).

Indices of Agricultural Production for Asia and Oceania, Average 1961-65 and Annual 1967-76. SB-573 (ESCS).

Indices of Agricultural Production for the Asia and Oceania, Average 1961-65 and Annual 1968-77. SB-606 (ESCS).

Indices of Agricultural Production for the Western Hemisphere Excluding the United States and Cuba, 1968 through 1977. SB-607 (ESCS).

Western Europe Agricultural Situation: Review of 1977 and Outlook for 1978. Supplement 4 to WAS-15 (ESCS).

Western Hemisphere Agricultural Situation, Review of 1977 and Outlook for 1978. Supplement 5 to WAS-15 (ESCS).

People's Republic of China Agricultural Situation, Review of 1977 and Outlook for 1978. Supplement 6 to WAS-15 (ESCS).

State Reports

Exports of Agricultural Commodities Grown or Produced in California, Fiscal Year 1976 and 1977 (1978). California Crop and Livestock Reporting Service, P.O. Box 1258, Sacramento, California 95806.

1977 Florida Agricultural Statistics—Vegetable Summary (1978). Florida Crop and Livestock Reporting Service, 1222 Woodward Street, Orlando, Florida 32803

1977 Texas Field Crop Statistics (1978). Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

1977 Texas Fruit and Pecan Statistics (1978). Texas Crop and Livestock Reporting Service, P.O. Box 70, Austin, Texas 78767.

Commodities

Pork production may rise 2 to 3 percent during the second half of 1978 based on the June 1 inventory of market hogs by weight groups. An increase of 2 percent in both summer and fall quarter hog slaughter seems likely.

With a larger than expected number of market hogs in the heavier weight groups, seasonal price fluctuations will be less than last year. Summer marketings should return an average price near $50 per cwt. A smaller than usual fall-over-summer increase in production may hold prices later in the year within $2 to $3 of the summer average.

Hog producers planned an increase of 4-percent in the number of sows to farrow during June-November. By quarters, intended farrowings in 14 States for June-August—while little changed from March intentions—show a 3-percent increase over revised 1977 data. Fall quarter intentions also suggest a 3-percent increase.

The number kept for breeding on June 1 was up 1 percent. Sow slaughter during the breeding months for summer farrowings exceeded 1977 slaughter, but gilt withholding more than offset this increase. Actual farrowings should meet or exceed intentions.

During May, the first breeding month for fall farrowings, sow slaughter under Federal inspection was down 4 percent from a year ago while, according to packer data, gilt slaughter as a percent of total barrow and gilt slaughter dropped to a 10-year low. However, this ratio increased seasonally during the first week of June, probably in response to across-the-board weakness in livestock prices.

Still, fall quarter farrowings are expected to exceed intentions. Barring conception problems that have plagued the industry for the past several months, farrowings could be up 8 to 9 percent as originally anticipated. However, with a larger number of first-litter gilts in the breeding inventory, pigs per litter will not match recent highs.

Depending on the level of actual farrowings, first half 1979 hog slaughter may be up 6 to 10 percent. Prices received for slaughter hogs would be expected to average in the mid-$40 range. *Eldon Ball, (202) 447-8972*

U.S. HOG INVENTORY AND PIG CROP

Item	1977	1978	Change
	Thou. head		Pct.
Inventory-June 1:			
Kept for breeding	8,693	8,799	+1.2
Market	45,787	46,131	+.8
Total	54,480	54,930	+.8
Sows farrowing:			
Dec.[1]-Feb.	2,742	2,725	-.6
Mar.-May	3,308	3,289	-.6
Dec.[1]-May	6,050	6,014	-.6
Jun.-Aug.	3,092	—	—
Sep.-Nov.	2,922	—	—
Jun.-Nov.	6,014	[2]6,247	+3.9
Pig crop:			
Dec.[1]-May	42,959	42,343	+1.4
Jun.-Nov.	43,232	[3]44,978	+4.0
Year	86,191	[3]87,321	+1.3

[1] December of preceding year. [2] Intentions. [3] Forecast.

Larger Fed Cattle Marketings To Continue

Wheat grazing may have been a significant factor affecting the pattern of feedlot placements this spring. Following a 12-percent reduction in net placements during April in the seven reporting States, feeders responded with a 37-percent increase over a year ago in May. Placements during June likely were down.

Colorado, Kansas, and Texas reported April placements down 9 percent from last year, but placements in the three states jumped 41 percent in May. These States accounted for about a third of the more than 1 million acres of wheat grazed out under provisions of the 1978 wheat program. Corn Belt States' placements continued to exceed year-earlier numbers. For the spring quarter, net placements in the 23 States likely increased 7 to 8 percent from a year earlier. The increase in fed marketings is estimated at 10 percent.

July 1 on-feed numbers are likely to be up about a tenth from a year ago. Inventory data will reflect continued increases in heifer placements this spring, although the number of heifers on feed for slaughter April 1 was record large. Feeder cattle sales data from eight midwestern markets suggest increased weights of both steers and heifers going on feed. The inventory of heavy yearlings on feed July 1 may be up 4 to 5 percent, with a similar increase in summer marketings.

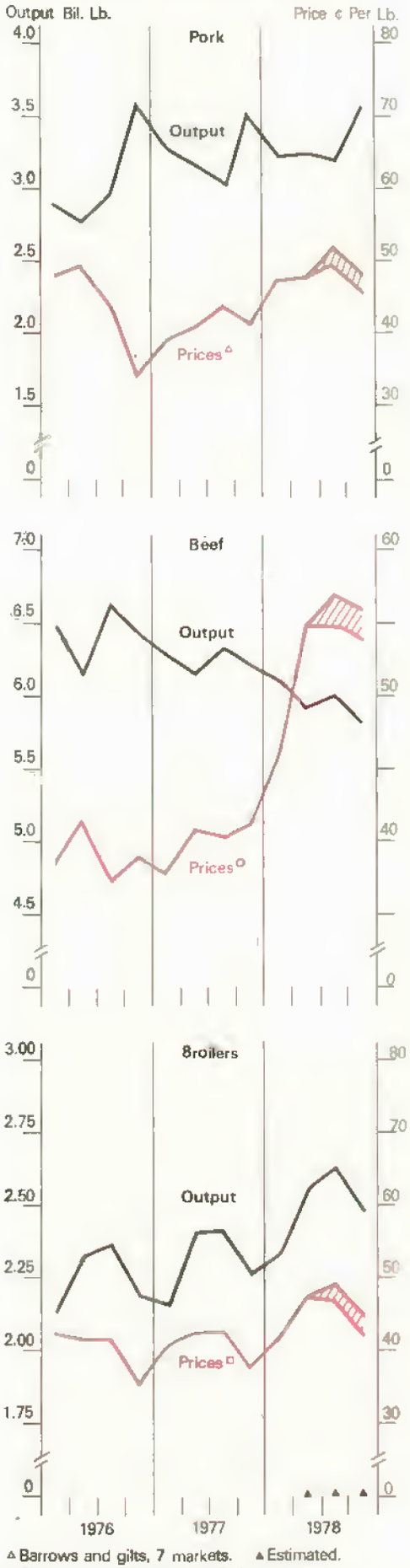
Three to 4 percent more fed cattle will be marketed in the fall quarter. For 1978, the number of cattle moving through feedlots may be 5 to 7 percent greater than in the previous year. However, sharply lower slaughter of grass-fed cattle will reduce beef output 4 to 5 percent this year, with production during the second half likely down 6 to 7 percent.

Choice beef at retail may average 25 percent higher this summer than a year ago. The recent downturn in fed cattle prices will be reflected in a wider farm-retail price spread. Prices this fall are likely to be 20 percent higher than a year ago.

Livestock prices advanced steadily through late May on the strength of improving general economic conditions and lower than expected inventory data. Both cash and near-term futures quotations for fat cattle topped $60 per 100 pound.

With the continuing rise in retail beef prices, the voluntary restraint agreement between the United States and exporting countries will be renegotiated to allow an additional 200 million pounds of beef imports during 1978. The increased allowance will raise total imports to about 1.5

MEAT SUPPLIES LARGE: MORE BROILERS AND PORK, LESS BEEF IN 1978



△ Barrows and gilts, 7 markets. ▲ Estimated.
○ Choice steers, Omaha. □ 9-city wholesale.

billion pounds product weight and will add about 1 pound to per capita consumption.

Because most imported beef is of processing grade, the impact on prices of cows and processed beef should be greater than on prices of feedlot cattle and the composite retail beef price. Depending on the timing of additional imports, hamburger prices could be held about 5 cents per pound below what they otherwise would be. Choice beef prices may be 1 to 2 cents lower. Utility cow prices may average $2 to $3 per hundredweight lower as a result and slaughter steer prices $0.50 lower.

Both cash and futures cattle prices started easing off after reaching late May-early June peaks, at least partly in anticipation of a decision to permit increased imports.

While the underlying economic factors have not changed as a result of the import action, psychological factors turned bearish and prices reacted. Just as the upswing carried prices higher than expected, the downturn in prices may have been somewhat more than conditions warranted.

Slaughter for 1979 will be drawn from the midyear cattle inventory, which is estimated to be down 5 to 6 percent from July 1, 1977. Yearling numbers may be down a greater percentage. The number of calves born during the first half of 1977, as a percent of the annual calf crop, was unusually large. If more typical calving patterns are observed this year, the number of calves on farms July 1 could be reduced 7 to 8 percent.

Through 1979, steer and heifer slaughter based on estimates of July inventory data may be reduced 5 to 7 percent. The percentage reduction in cow slaughter will be greater, but normal culling should hold cow slaughter around 15 percent of the beginning-year cow inventory which is expected to total about 48½ million head.

Per capita beef consumption during 1978 is now expected to total about 120 pounds (carcass equivalent), 5 percent less than last year. For 1979, consumption may drop to 110 pounds per person, assuming that imports subject to quota total 1.2 billion pounds product weight. At retail, Choice beef prices would be expected to advance 10 to 15 percent. Slaughter steer prices are expected to average between $59 and $63 per 100 pounds. *Eldon Ball, (202) 447-8972*

Soybean Demand Strong

In the current season, with continuing strong world demand for U.S. soybean meal and oil, both domestic crushings and exports of soybeans are running at record rates. Expanding domestic use of soybean meal and oil due to favorable livestock-feed price ratios, lower soybean oil prices, and smaller supplies of competing vegetable oils are underpinning this unprecedented demand.

Abroad, increasing animal numbers, smaller-than-expected oilseed production in some parts of the world—particularly Brazil—and favorable price relationships due, in part, to weakness in the U.S. dollar are spurring usage of U.S. soybean products.

Total soybean use for the 1977/78 season is now estimated at 1.7 billion bushels, about a fifth above last year. Domestic crushings are estimated at 935 million bushels, nearly 150 million above 1976/77. Soybean exports likely will approach 680 million bushels, up about 116 million bushels.

With total use not quite matching the large 1977 soybean output, only a slight buildup in carryover stocks is expected. Stocks on September 1 likely will total about 130 million bushels, compared with 103 million last September. Stocks in all positions on June 1 totaled 500 million bushels, up nearly 50 percent from June 1, 1977.

The strong demand has exerted continual upward pressure on soybean prices all season. Monthly average prices to farmers rose from $5.17 per bushel last September to $6.82 in May. Prices in June slipped some. The recent weakness reflects generally favorable prospects for the 1978 soybean crop, competition in world markets from Brazilian soybeans, and seasonal declines in use as the end of the marketing season approaches.

The usual "weather market" likely will prevail over the rest of the summer as prices respond to crop developments. For the season, prices to farmers are estimated at $6 per bushel, compared with $6.81 for the 1976 crop. *Stanley Gazelle, (202) 447-8444*

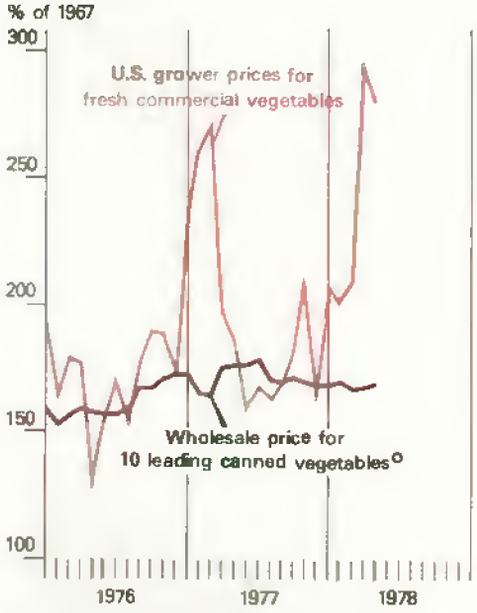
Downturn Expected in Fresh Vegetable Prices

Fresh vegetable prices are generally expected to move sharply lower in July as supplies of nearly all crops increased seasonally. Vegetable prices were unusually volatile while holding on the high side during much of the spring quarter. The index of prices received by growers moved from 209 (1967=100) to 296 between March and April, backing off to 279 in May.

Although lettuce best illustrated this volatility, other commodities including tomatoes, cabbage, and celery also were affected. California f.o.b. prices ranged from $16.50 per crate down to $3.25 in the short span of 18 days during May. Medium-sized tomatoes from Florida were $12.50 per 30-lb. carton in April, fell to $3.60 by the end of May, and bounced back to around $8 in the first part of June.

Winter rains—which curtailed California's lettuce planting in January and February—produced temporary shortages in late April and early May. Frost damage and cool weather affected young tomato plants in Florida in late February. These events disrupted usual spring supply patterns.

FRESH VEGETABLE PRICES REMAIN HIGH



° Index developed by ESCS for snap beans, corn, peas, tomatoes, tomato juice, tomato catsup, beets, carrots, sauerkraut, and spinach.

Sustained cool weather in the Rio Grande Valley of Texas during the winter caused much of the early spring onion crop to develop seed stems. With a high proportion of unmarketable tonnage, early spring Texas f.o.b. onion prices for Jumbo yellow Granex advanced to $7.00 per 50-lb. bag, but prices declined to a low of $2.38 between early April and mid-May. Among the major vegetable crops, onions and sweet corn were the low-priced vegetables during the spring. *Charles Porter and Joseph Podany, (202) 447-8666*

Potato Prices To Hold Above Year Earlier

By early June, storage stocks of old potatoes in the East had all but disappeared, and the spring crop had become the dominant market factor. In Idaho, supplies were declining seasonally, and supplies are expected to remain limited into the early summer.

Idaho prices advanced in early June as supplies from competing areas were reduced. In mid-June, the premium pack of 50-lb. cartons, 80-90 count, sold f.o.b. at $15.50, a record high for that pack.

Spring potato tonnage has been estimated at only 18 million cwt., the lightest crop of record. This is nearly a tenth less than the previous estimate made during May and a fifth less than last year. Disappointing yields in Kern County, California, and in the Hastings district of northern Florida are largely responsible.

With summer acreage 3 percent less than a year earlier, and with the prospect of average yields at best, wholesale and retail prices are likely to remain above 1977 levels this summer. However, by mid-September, the usual seasonal price pattern associated with the large fall crop will push prices sharply lower once more. *Charles Porter and Joseph Podany, (202) 447-8666*

Fruit Prices To Continue Higher

Prices received by growers for fresh and processed fruit have steadily advanced this year to record highs. With high prices for apples and citrus and smaller soft fruit production in prospect, grower, wholesale, and retail fruit prices are expected to remain substantially higher this summer than a year earlier.

With the smaller crops and higher costs of processing, wholesale prices of canned fruit will continue strong. Wholesale prices for frozen citrus juice will also remain high, while prices for frozen strawberries are expected to decline to moderate levels in view of large stocks on hand.

Cool, wet, and windy weather delayed fruit marketings this spring. Heavy rains and mild winter weather reduced yields of most noncitrus fruits in California. This season's deciduous crop (excluding dried prunes) will be 11 percent smaller than the past two seasons.

Reduced crops of apricots, cherries, peaches, pears, and plums are expected in the important western producing areas. Total U.S. peach production will be down 12 percent because the California clingstone crop is expected to be 24 percent smaller than in 1977. Freestone production in the nine southern States will be up slightly. Plums and West Coast Bartlett pears will be down sharply from 1977 and 1976. California nectarines appear to be in ample supply.

Early shipping point prices for fresh market fruit have been higher this year than last. Because of the late season, prices held firm through mid-June. With smaller total supplies of fresh fruit, prices will remain above last year's level throughout this marketing season.

U.S. PRODUCTION OF SELECTED NONCITRUS FRUIT[1]

Crop	Utilized		Indicated
	1976	1977	1978
	Thou. tons		
Apricots	128	142	128
Cherries, sweet	168	146	133
Cherries, tart	73	107	88
Nectarines	128	150	160
Peaches[2]	1,321	1,430	1,365
Bartlett pears	567	543	428
Plums, California	115	157	145
Total	2,500	2,675	2,447
Prunes, California[3]	148	157	142

[1] As of June 15, 1978 for cherries; June 1, 1978 for other fruit. [2] Includes clingstone culls and cannery diversions. [3] Dried basis.

Reflecting the large 1977 pack, stocks of all the major canned fruits were at adequate levels on April 1. These stocks have tempered grower asking prices for raw product of peaches and pears for processing. However, prices for all soft fruits for processing are expected to be somewhat higher than last year.

The 1977/78 citrus crop is substantially smaller than last season's. On June 1, the citrus crop was estimated at 12.9 million metric tons, 7 percent smaller than last year. The orange and grapefruit crops are below year-earlier levels, but production of Temples and lemons is up. Remaining supplies of oranges for harvest are larger than a year earlier, but remaining supplies of lemons and grapefruit are smaller.

Stocks of frozen concentrated orange juice (FCOJ) are smaller than a year ago, reflecting a smaller crop, good movement, and a more leisurely packing pace. Juice yields are up to 1.24 gallons per box this year (from 1.07 last year) and carryout at the end of the season is expected to be about the same to slightly larger. Canner list prices have remained fairly steady this season at $3.30-$3.35 per dozen 6-ounce cans, f.o.b. Florida, sharply above last year's level. Increased consumer purchases of other juices and other forms of orange juice have tempered additional FCOJ price rises.

During 1977, per capita consumption of fruit declined nearly 4 pounds to 216.0 pounds (fresh weight equivalent), the third highest amount this decade. Consumption of fresh fruit declined to 84.1 pounds per person, while consumption of processed products increased to 131.9 pounds. Demand for fruit remains good, but with smaller fruit crops and higher prices in prospect, per capita consumption in 1978 will probably decline from the 1977 level. *Jules Powell and Ben Huang, (202) 447-7133*

July Situation Report Schedule

Situation reports which will be released by USDA's World Food and Agricultural Outlook and Situation Board this month are:

Title	Off Press
World Agricultural	July 3
Fruit	July 10
Ag Supply and Demand	July 12
Dairy	July 24
Fats and Oils	July 25

Single copies of the above reports may be obtained by writing to: ESCS Publications, Room 0054 South Building, USDA, Washington, D.C. 20250.

Winter Wheat Crop Estimate Boosted Slightly

Based on June 1 conditions, the 1978 winter wheat crop is estimated at 1,308 million bushels, 14 percent below last year but up slightly from the May forecast. Most of the increase came in the Hard Red Winter areas where moisture conditions improved during early May. A 42-percent drop in the Soft Red Winter crop is expected, while White Wheat in the Pacific Northwest will be up about a fifth.

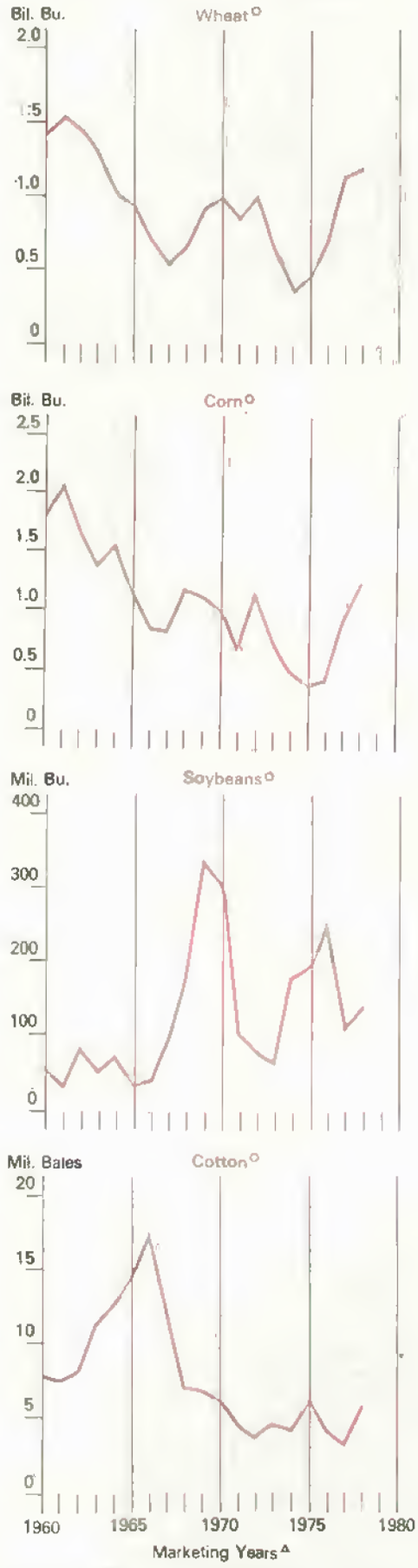
The 1977/78 marketing year closed on May 31 with carryover stocks still over a billion bushels and slightly larger than a year earlier. Increases in exports and in food and feed use pushed this year's total wheat disappearance to just under the record 1,970 million bushels of 1973/74. Domestic use was up about 13 percent, mainly because low prices resulted in heavy wheat feeding early in 1977/78. A slight increase in wheat product consumption led to a record year for wheat food use.

Exports picked up in recent months after a sluggish start during the first half of the season and currently are about 20 percent larger than a year ago. The United States increased its share of the world export total principally because of large supplies available at times when other major world exporting countries had virtually sold out. This situation largely explains recent purchases from the United States by the People's Republic of China.

Early in 1977/78, record supplies kept a damper on wheat prices, and farm prices were running below $2.00 per bushel compared with the loan rate of $2.25. Loan placements and participation in the 3-year reserve program became heavy as prices remained low. At the end of 1977/78, about 55 percent of total wheat stocks were either in the 3-year farmer-held grain reserve or under loan.

The combination of these large stocks in the price support programs, strong foreign demand (particularly during the second half of the season), and prospects for a small crop in 1978 strengthened wheat prices at the farm to the highest level since early 1976. *Allen Schienbein, (202) 447-4997*

BEGINNING 1978/79 STOCKS HIGHER



▲Year beginning June 1 for wheat, Aug. 1 for cotton, Sept. 1 for soybeans, and Oct. 1 for corn.
°Carryin stocks.

Inputs

Farm machinery sales during the first quarter of 1978 continued to lag year-ago levels. Weakness in machinery sales began 4 years ago when farm income started receding from unusually high levels during 1973-74. Last calendar year, sales of all types of farm machinery registered declines. However, the decline in sales slowed somewhat in early 1978.[1]

During the first quarter of 1978, sales of both 2-wheel and 4-wheel drive tractors were nearly 12 percent below the same period a year ago. Sales of a number of other machinery items also trailed last year's first quarter, with balers (making under 200 pound bales) down by more than a third, and windrowers and forage harvesters down by a fifth. April sales, however, showed some improvement for each of these items and significant first quarter gains were reported for cornheads (up 16 percent) and mower conditioners (up 8 percent).

While farm machinery unit sales were dropping, prices continued to climb, reflecting increased costs of production and higher wholesale prices. The March 1978 wholesale price index for farm machinery rose 7 percent above March last year, while the overall index of prices paid by farmers for machinery rose 8 percent. During the same period, prices of 2-wheel drive tractors advaneed 6 percent, disk harrowers advanced 8 to 10 percent, field cultivators 4 to 7 percent, grain drills 3 to 11 percent, and corn planters 4 to 9 percent.

The farm machinery industry in May expected a continued sales slump for the year 1978, with the dollar value down 5 percent from last year. This forecast may be somewhat pessimistic as 1978 farm income prospects have improved since the forecast was made.

Unit sales of 2-wheel drive tractors for all of 1978 are expected to be down about 6 percent, with sales of larger tractors likely to be down somewhat less. Sales of 4-wheel drive tractors are expected to remain virtually unchanged from last year.

Sales of machinery items such as combines, cornheads, windrowers, balers (making under 200 pound bales), stack movers, and tillage equipment are all expected to be down this year. On the other hand, balers (making over 200 pound bales), hay stackers, forage harvesters, mower conditioners, manure spreaders and grinder-mixers are expected to be up from 1 to 6 percent. *Theodore Eichers, (202) 447-6620*

[1] Data on sales and forecasts are based on reports from the Farm and Industrial Equipment Institute, Chicago, Ill.

FARM MACHINERY SALES AND PRICES

	Jan.-March		Change
	1978	1977	1978/77
	Units		Pct.
Retail sales:[1]			
2-wheel drive tractors	29,205	33,138	-11.9
40 to under 100 hp	14,408	15,776	-8.7
100 hp and over	14,797	17,362	-14.8
4-wheel drive tractors	1,647	1,801	-8.6
Total tractors	30,852	34,939	-11.7
Combines	2,772	2,741	+1.1
Cornheads	1,773	1,530	+15.9
Balers (under 200 pound bales)	1,596	2,461	-35.1
Windrowers	689	854	-19.3
Forage harvesters	878	1,098	-20.0
Mower conditioners	2,407	2,237	+7.6
	March Index 1967=100		
Prices paid by farmers			
Tractors and self-propelled machinery	251	233	+7.7
Other machinery	259	241	+7.5
Wholesale price of agricultural machinery[2]	208	195	+6.7

[1] Reported by Farm and Industrial Equipment Institute, Chicago, Ill. [2] Excluding tractors.

Energy Supplies Sufficient

Energy supplies appear to be sufficient to meet consumer demands this summer and autumn. Fuel price increases have moderated somewhat and farmers need not be unduly concerned about the availability of fuel. The most important factor entering the energy market is the likelihood of passage of segments of the energy bill sometime this fall.

Natural gas supplies should be adequate to meet normal demand patterns during summer and fall. Despite a cold winter, storage supplies are in better shape this year than last. Moreover, the natural gas agreement being reached in Congress should step up exploration and development of natural gas supplies for the longer term.

The most significant aspects of the natural gas agreement consist of the immediate increase in the well-head price of new gas to $1.93 per thousand cubic feet, with allowance for price increases approximating 10 percent a year until 1985; the removal of price controls on new gas beginning in 1985; and the ability of Congress or the Administration to reimpose controls for one 18-month period, if prices rise inordinately. Since new gas only comprises some 10 percent of annual supplies, higher new gas prices will lead to a gradual price rise. All these factors considered, farmers can look to a summer and fall of adequate natural gas supplies, although at slightly higher prices.

No relevant supply problems appear on the horizon for gasoline or diesel. The Organization of Petroleum Exporting Countries (OPEC) continues to send encouraging signs of pricing restraint. Congress has yet to act on the Crude Oil Equalization Tax proposal which would raise prices for these final products slightly. Moreover, because of the arrival of Alaskan oil on the West Coast, coupled with the replenished hydroelectric capability, this area of the country is experiencing a temporary oil glut. There should be no problems in meeting farm demand for these critical fuels, and no significant price increase appears likely.

No supply problems are anticipated for LP gas for this summer or fall. Inventories of this fuel are up 16 percent as of April 1977, and should mitigate against any significant supply disruption.

The significant resupply of water to aquifers on the West Coast has eliminated the hydroelectric problems faced by this region over the recent past. On the whole, electric-generating capacity appears adequate to

meet summer demand. However, some irrigators relying on electric-powered systems may find it necessary to interrupt service when unduly high summer peak demands occur. *Patricia Devlin, (202) 447-7147*

FUEL AND ENERGY PRICES PAID BY FARMERS

Month and Year	Diesel	Gasoline[1]	Fuels and energy
	Cts. per gal.		1967=100
1976			
Jan.	41.4	52.5	185
Apr.	40.7	51.3	183
July	41.7	54.2	189
Oct.	41.5	54.6	190
1977			
Jan.	43.1	54.7	196
Apr.	44.8	56.4	201
July	45.0	57.8	204
Oct.	45.7	57.5	204
1978			
Jan.	45.8	57.8	206
Apr.	45.8	57.9	206

[1] Bulk delivery.

Solar Heat Collecting Attic House Plans Available

A leaflet describing plans for an experimental three-bedroom house with a solar heat collecting attic has been published by the U.S. Department of Agriculture (USDA).

Translucent fiberglass panels and polyester film replace conventional roofing on the house. These panels transmit solar energy into the attic where it is absorbed by a black plywood floor. The solar-heated air is then circulated to heat both the house and a 12-inch layer of crushed rock beneath the house. The rock bed will normally store a 3-day supply of heat. In other respects the house is conventional.

According to USDA scientists, the attic can collect as much as 59 percent of the solar energy available during January. Energy collection over 50 percent is considered very efficient.

Single copies of the leaflet, "Solar House", Miscellaneous Publication No. 1367, may be obtained free from the Office of Governmental and Public Affairs, U.S. Department of Agriculture, Washington, D.C. 20250.

Wage Rates Up 10 Percent

Wage rates paid to hired farmworkers in April increased almost 10 percent from a year earlier. The average wage of $3.09 per hour for all hired farmworkers was up 27 cents from April 1977.

Increases of 11 percent of more occurred in the Delta Sates (Texas and Oklahoma), the Mountain States (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, and Nevada), and the Northern Plains (North Dakota, South Dakota, Nebraska, and Kansas).

A major factor contributing to higher 1978 wage rates is the 20-percent increase in the Federal minimum wage. The increase became effective January 1, 1978, and requires all farms hiring 500 mandays of labor during at least one calendar quarter in 1977 or in 1978 (about 7 or 8 workers) to pay the new rate of $2.65 per hour.

The hired farm work force was estimated at nearly 1.1 million persons during April 1978, down about 5.4 percent from the same month last year. Part of this decline can be attributed to wet weather which curtailed some scheduled field operations.

People who do hired farm work are part of a diverse group. Each year some 1 million students enter the hired farm work force, mostly during peak summer harvest periods. In 1977, these students earned an average of more than $1,050 from both farm and nonfarm work. About 600,000 regular hired workers employed only in agriculture earned an average of $5,400 in 1977 while some 440,000 primarily nonfarm workers earned about $625 from 31 days of farm work. *Conrad Fritsch, (202) 447-7133*

HIRED FARM WORK FORCE AND WAGE RATES, APRIL 1978[1]

Region	Work force	Wage rate	Wage increase over year-earlier
	Thou.	Dols./hr.	Percent
Northeast	119	2.78	9.0
Lake States	74	2.75	4.6
Corn Belt	119	3.00	6.4
Northern Plains	50	3.14	11.7
Appalachian	104	2.68	7.2
Southeast	154	3.05	6.6
Delta States	83	2.92	16.3
Southern Plains	88	2.73	7.9
Mountain	74	3.07	12.9
Pacific	231	3.68	7.0
United States	[2]1,085	3.09	9.6

[1] Data represent the week of April 9-15, 1978.
[2] Total will not add due to rounding

Land Lost To Cities Frequently Cropland

Urban development claimed about 17 million acres of rural land between 1967 and 1975 according to a report recently released by the U.S. Department of Agriculture. Another 7 million acres of rural land were inundated by water in ponds, lakes, and reservoirs during the 8-year period. About one-third of this land was cropland at the time it was converted.

The study also reported that:

–Of the lands converted to urban and other uses during the 8-year period, about 8 million acres were "prime farmland";

–Total crop acreage declined from 431 million to 400 million acres. Declines occurred in most farm production regions, except in the Delta region of Arkansas, Louisiana, and Mississippi and the Mountain region, including Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming;

–Croplands in the Northeast, Appalachian, Pacific, and Lake States are most likely to be threatened by other uses in the future;

–About 111 million acres not now in crops have high or medium potential for conversion to cropland if needed. Only 34.9 million acres, however, can be converted without applying conversion practices to avoid soil erosion hazards or water disposal problems.

Copies of "Potential Cropland Study" (Statistical Bulletin No. 578) are available from the Office of Governmental and Public Affairs, room 502-A, USDA, Washington, D.C. 20250.

Policy

On June 8, the Administration announced it will permit the level of meat imports for 1978 to increase 200 million pounds. A voluntary restraint program negotiated earlier with 13 other nations would have limited 1978 imports of fresh, chilled, or frozen beef, veal, mutton, and goat meat to 1.3 billion pounds.

The decision to allow 200 million pounds more this year to help slow rising retail beef prices will require renegotiation of the voluntary agreements. For the first quarter of 1978, about 98 percent of the imported meat subject to quotas and voluntary agreements is beef, with veal comprising essentially all of the remaining 2 percent. In 1977, beef and veal imports constituted about 7.5 percent of U.S. consumption.

Imported beef is generally from grass-fed animals and cannot match the quality grades attained in U.S. feedlots. Consequently, the economic impact of an additional 200 million pounds of imported beef and veal will be relatively small, mainly affecting the prices of convenience meats and the less expensive cuts such as hamburgers.

Domestic cattle prices are not expected to be materially affected. Utility cow prices would reflect the largest impact and could decline $2 to $3 per hundredweight.

Wheat Loan Level Raised

The Secretary of Agriculture raised the 1978 wheat loan level from $2.25 per bushel to $2.35 on June 26. This action will provide farmers additional interim financing, and it also raises the release level for wheat in the producer-held reserve from $3.15 to $3.29. The release level is 140 percent of the current wheat loan.

Producer-held reserve stocks will not be sold in the market until farm prices rise to the new release level, which may not occur in the near future as the wheat harvest progresses. However, wheat prices have strengthened in recent months. Farmers received an average of $2.80 per bushel for their wheat in May, up from $2.19 a year earlier.

Wheat growers who have obtained loans at the old rate may apply for the increase at their county Agricultural Stabilization and Conservation Service offices.

Farm Program Participation Tallied

Sign-up for 1978 wheat, feed grain, and cotton programs began March 1 and ended May 31. During that period almost 1.2 million, or 51 percent, of over 2.3 million eligible farms enrolled in these programs. These farms contain over 72 percent of the Nation's total eligible normal crop acreage (acreage planted for harvest in 1977 to specified crops normally produced on farms).

Participating farms plan to set aside 17.0 million acres of cropland, including 10.0 million acres under the wheat program and 7.0 million acres under the feed grain program. Registration for the feed grain program showed that an additional 5.1 million acres would be diverted, for a combined commitment of 12.1 million acres in feed grain set-aside and diversion. Producers committed over 545,000 acres for cotton diversion. Wheat grower participation exceeded 1.3 million acres under the special hay and grazing program.

Sugar Supports Increased

The 1977 Act stipulates that the 1977 and 1978 sugarbeet and sugarcane crops shall be supported at no less than 52.5 percent of parity nor more than 65 percent, based on the July parity price for sugar. Consequently, based on estimates of the July parity price for sugar, USDA announced 1978 loan levels at 16.90 cents per pound for refined beet sugar and 14.65 cents for cane sugar (raw value). The 1977 levels were 15.57 and 13.50 cents per pound, respectively. When the July parity price is announced, loan levels may be increased if necessary to the minimum support level of 52.5 percent of parity.

CCC Interest Rate Raised

On June 13 the Commodity Credit Corporation (CCC) raised the interest rate on loans for all 1978 grain crops from the present level of 6 percent to 7 percent. The 6-percent rate has been effective since April 1, 1977, and has been boosted to reflect the increased cost of money the CCC borrows from the U.S. Treasury. The interest rate on upland cotton loans is determined separately from that on grains and the 1978 rate is expected to be announced about July 1.

Grain Reserve Growing

As of June 23 the producer-held grain reserve consisted of almost 520 million bushels of wheat and feed grains, including 351 million bushels of wheat, 26 million bushels of barley, 100 million bushels of corn, 28 million bushels of oats, and 14 million bushels of sorghum.

On June 21 the CCC had outstanding loans on 892 million bushels of 1977-crop feed grains, including 699 million bushels of corn, 120 million of sorghum, 38 million of barley, and 35 million of oats. These stocks do not include grain in the producer-held reserve and are eligible to be added to the reserve. *Cecil Davison, (202) 447-8840*

U.S. MEAT IMPORT ALLOCATIONS, 1978

Exporter	Million pounds of meat
Australia	663.5
New Zealand	272.6
Canada	76.2
Mexico	63.1
Costa Rica	56.5
Nicaragua	51.5
Honduras	37.8
Guatemala	36.2
Dominican Republic	15.2
El Salvador	12.1
Panama	5.1
Haiti	2.0
Belize	.5
Total	1,292.3

New Cotton Dust Regulations Issued

New cotton dust standards, which have a 4-year compliance deadline, were recently issued by the Occupational Safety and Health Administration (OSHA). The new standards include a 0.2 milligram per cubic meter permissable dust level for the yarn-producing segment of the industry, 0.75 milligram for textile-producing segments such as slashing and weaving operations, and 0.5 milligram for nontextile industries such as cottonseed oil mills, cotton classing and mattress, and bedding manufacturers. The new standards do not apply to cotton harvesting, to dust generated from the handling of woven and knitted materials; or to the processing of wash cotton.

Within 30 days of the effective date of the new cotton dust standards, employers must establish a respirator program to protect employees exposed to dust above permissable exposure levels. Employees who are not able to wear a respirator must be allowed to transfer to another work position with lower dust exposure levels at no loss of earnings to them.

The standards allow certain flexibility so employers can design their own means of complying as long as they meet OSHA's standards. The standards will become effective in September.

The Department of Labor estimated that the standards will cost the textile industry $625 million in new equipment and $84 million annually in operating costs. However, the American Textile Manufacturers' Institute claims that the costs incurred will be more than 3 times as high. *Sam Evans, (202) 447-8776*

National Water Policy Proposed

The President's proposed water policy was recently sent to Congress for approval. These initiatives are designed to do the following:

– Improve planning and efficient management of Federal water resource programs to prevent waste and to permit necessary water projects which are cost-effective, safe, and environmentally sound to move forward quickly.

– Provide a new, national emphasis on water conservation.

– Enhance Federal-State cooperation and improved State water resources planning.

– Increase attention to environmental quality.

Included in his policy statement, the President has directed the Secretary of Agriculture to encourage more effective soil and water conservation through watershed programs, administered by the Soil Conservation Service (SCS) in conjunction with the Fish and Wildlife Service. SCS would encourage accelerated land treatment measures prior to funding of structural measures on watershed projects and make appropriate land treatment measures eligible for Federal cost-sharing. SCS would also establish periodic post-project monitoring to ensure implementation of land treatment and operation.

The initiatives proposed establish the goals and framework for water policy reform without impinging on the rights of States and by calling for closer partnerships among Federal, State, and local Governments. None of the initiatives would impose any new Federal regulatory program for water management.

The President has proposed an increase from $3 million to $25 million annually in the funding of State water planning under the existing 50/50 matching program administered by the Water Resources Council. State water planning would integrate water management and implementation programs which emphasize water conservation and which are tailored to each State's needs. *William Heneberry, (202) 447-4859*

U.S. Agricultural Trade Office Opened in London

The first U.S. agricultural trade office in a foreign country was officially opened by Secretary of Agriculture Bob Bergland on May 26. The new London office will include staffs of the U.S. Feed Grain Council, the Poultry and Egg Institute of America, and the U.S. Meat Export Federation. Commodities represented by these private, nonprofit groups provide almost one-half of U.S. farm market returns.

The office will also include a trade coordinator, attached to the American Embassy, who will direct export sales development for the U.S. Government for all U.S. farm products in the United Kingdom. U.S. agricultural sales in 1977 totaled over $1 billion to the United Kingdom and approached $10 billion to all of Western Europe.

The new trade office is designed to represent U.S. farmers in a single integrated sales thrust to encourage expanded sales contracts with potential customers in the United Kingdom and other countries as well. *Cecil Davison, (202) 447-8840*

International Sugar Agreement Stalled

The deadline for ratification of the 1977 International Sugar Agreement (ISA) has been postponed until December 31, 1978, allowing major importers, including the United States, more time to ratify the proposed agreement.

Slightly more than half of the 51 members of the International Sugar Organization (ISO) signed the pact that became operative provisionally in January 1978. The United States has not completed domestic procedures for approval of the agreement. Passage of implementing legislation is required by most countries before contribution fees—a part of the ISA Stock Financing Fund scheme—can be levied. These fees were due to become effective on July 1, 1978, but the date has been postponed to October 1, 1978.

U.S. ratification is currently pending in the Senate as hearings on new sugar legislation are planned. The proposed sugar legislation would replace the current support program to U.S. growers, which expires at the end of the 1978 crop season.

Several ISA members contend that the EC's sugar marketing policy of continued sales and subsidy payments is one of the major elements contributing to the ineffectiveness of the current agreement. The EC is expected to have a sugar surplus of 3 to 4 million metric tons this year.

Because sugar prices continued persistently below the 11-cent ISA minimum price objective, the ISA aggregate export quota for 1978 was reduced to about 12.6 million tons, effective April 24, 1978—to 82.5 percent of the Basic Export Tonnage. *Barbara Blair, (202) 447-7590*

World Agriculture and Trade

Prospects for 1978/79 world crops were clouded somewhat by early problems. Over much of the Northern Hemisphere, cool, wet weather delayed spring plantings, in some cases as much as 2 weeks. Hard hit were the U.S. Corn Belt, the Canadian Prairie Provinces, and extensive areas of East and West Europe and the USSR.

By early June, these delays had largely been overcome, but their effect on yields is still uncertain. In other areas, weather conditions have been generally favorable for 1978/79 crops, although drought in North China created some additional concern. Weather will continue to play a critical role as the season unfolds.

Weather during mid-June in the European USSR continued to be wet and cool. However, in the areas east of the Volga (Asiatic USSR) precipitation was only about half of normal and temperatures were running above normal. Soil moisture supplies over most of Asiatic USSR are still above normal.

If world crop conditions are generally favorable for the remainder of the growing season, 1978/79 world wheat and coarse grain production could rise by almost a tenth from 1.07 billion metric tons in 1977/78. Increases would be expected in many regions, including the USSR, the People's Republic of China (PRC), Australia, Western Europe, parts of Africa and Asia, and most of Latin America.

Such a large harvest would have a depressing effect on world grain prices. However, only limited growth in consumption would be likely. Thus, world stocks could expand substantially. Over two-fifths of the increase might come in the United States. World trade in wheat and coarse grains could be expected to decline by almost a tenth, with a similar dropoff likely for U.S. exports.

If world weather conditions are generally unfavorable for crop production for the remainder of the growing season, world wheat and coarse grain production could decline slightly. Total use of wheat and coarse grains likely would be unchanged from the 1977/78 level. World stocks could fall substantially from last year's 175 million tons.

Poor world grain crops would require an increase of about 6 percent in world wheat and coarse grain exports. In spite of reduced U.S. supplies, U.S. wheat exports might rise about 18 percent in volume and coarse grain exports about 4 percent.

Carryover Stocks Near Record

World grain stocks entering the 1978/79 crop year are at near-record levels. Based on current production and use estimates for 1977/78, beginning stocks of all grains including milled rice are up slightly from the 193 million tons of a year ago.

World wheat and coarse grain production dropped only slightly in 1977/78 from the large crop of a year earlier. The sharp build-up in stocks the year before and resulting lower prices caused a slight reduction in area. In addition, drought struck several major growing areas.

With continuing large supplies, world wheat and coarse grain consumption nearly matched output but was still below trend. Heavier livestock feeding was responsible for most of the increase.

World grain trade will be record large in the year ending June 30, 1978, with wheat shipments up about 10 percent to 70 million tons and coarse grain shipments down marginally to about 81 million tons. U.S. exports are benefiting fully from this growth. Wheat exports are estimated up 4 million tons from last year's reduced volume, and coarse grain exports should increase marginally.

Livestock Inventories Expanding In 1978

In the European Community (EC), 1978 meat production is expected to rise slightly to above 18.7 million tons. Net meat imports of the EC will decline because of greater exports of pork. Beef and veal imports should be unchanged. Only a slight reduction in the EC dairy surplus is likely in 1978.

Japanese inventories of cattle and swine are expanding. Production of broilers, beef and veal, and pork will be larger in 1978, but the rate of increase has slowed. Meat imports will be smaller in 1978 as the expected 20-percent drop in pork imports more than offsets an anticipated increase in beef imports.

Following 2 years of reduction in the Canadian beef breeding herd, cattle numbers should stabilize in 1978. As prices strengthen, cow slaughter should decrease, and more heifers should be retained for breeding. Thus, beef and veal output is expected to decline in 1978. Canadian hog numbers and pork output are higher this year.

The Soviet livestock sector is continuing to expand. May 1978 inventories of beef and dairy cattle, poultry, and hogs were at record levels. Soviet meat output is expected to increase from 14.8 million tons in 1977 to over 15 million tons in 1978, but it is unlikely to reach the target of 15.6 million.

During the first half of 1978, liquidation of the Australian cattle herd continued. Slaughter rates should decline in the second half because of better prices and relief from drought. Beef and veal production may be down almost a tenth in 1978 to 1.9 million tons, and exports also will be lower.

In New Zealand, severe drought is the cause of an expected 7-percent drop in 1978 milk production. Argentina's beef and veal production may increase to almost 3 million tons in 1978 because of continuing high slaughter rates. Mexico is rebuilding its cattle herd, and 1978 beef and veal production may decline almost 2 percent.

World Cotton Plantings May Dip in 1978

Foreign cotton plantings may be down almost 3 percent in 1978/79 after rising 2½ percent in 1977/78 to about 27½ million hectares. Declines are expected in Africa, Latin America, Turkey, and Iran. PRC cotton area will likely remain near the 1977 level. Cotton area is expected to increase in the USSR, India, and Pakistan.

Depending upon weather developments in coming months, world output could drop to about 59 million bales or rise slightly to 65 million. World consumption in 1978/79 is estimated to range from 60 to 64 million bales.

If cotton crops in importing countries are large, import demand will decline. World exports could drop a tenth below 1977/78's estimated 19 million bales. If cotton crops in importing countries are small, world cotton exports could increase to about 20 million bales.

U.S. cotton exports are estimated at 5.5 million bales in 1977/78, up 15 percent from a year earlier. Depending on foreign supply and demand, 1978/79 U.S. exports could increase to 6.2 million bales or drop back to 4.8 million.

USSR May Harvest Larger Grain Crop; Grain Purchases Mount

Based on crop conditions through mid-June, chances are 2 out of 3 that the 1978 Soviet total grain crop will range from 185 to 225 million tons. Prospects for an outturn slightly above the midpoint of this range would mean some improvement from the 1977 harvest of 196 million tons but failure to reach the 220-million-ton target. However, there is still much uncertainty about both the winter and spring Soviet crops.

Soviet purchases of U.S. grain for the year ending September 30 totaled 14.1 million tons as of early June, including 10.7 million of corn and 3.4 million of wheat. Soviet officials advised U.S. delegates to the U.S.-USSR Grain Agreement consultation in Moscow May 15 that further purchases could be made in June and even July for shipment in the current agreement year. The United States authorized the Soviets to buy up to 15 million tons of U.S. grain this year without further consultation.

U.S. Farm Exports Continue Strong

The United States recorded a $2.1-billion trade deficit in May 1978. The twenty-fourth consecutive deficit, it was the smallest in 8 months.

The boom in U.S. agricultural exports this spring has helped to restrain the total trade deficit. U.S. farm exports were record large during March, April, and May. May exports, at $2.73 billion, were 24 percent above May 1977. This jump is due largely to big gains for shipments of wheat, corn, and soybeans. U.S. agricultural imports were up 2 percent in May to $1.28 billion.

October 1977-May 1978 agricultural exports totaled $17.9 billion, 5 percent above a year earlier. Export tonnage was up a tenth. Agricultural imports rose 3 percent to $9.4 billion. *Sally Breedlove Byrne, (202) 447-8261*

U.S. Food Price Increases Among World's Lowest

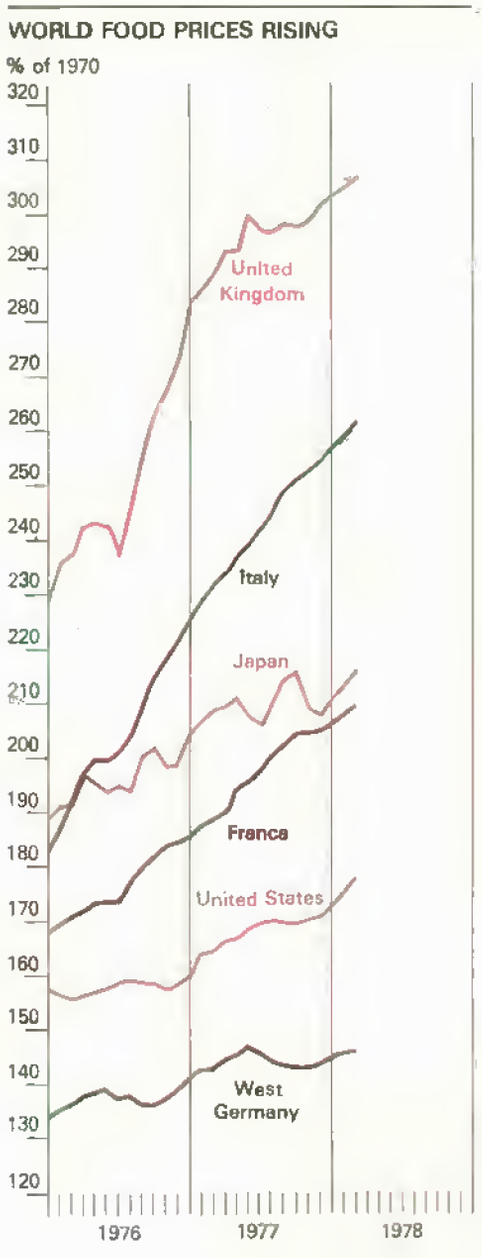
Food prices in the United States have risen less since the beginning of this decade than in all except 3 of 15 other major countries surveyed by USDA's Foreign Agricultural Service. Only West Germany, the Netherlands, and Belgium showed lower rates of increase.

The March 1978 U.S. food price index, at 177 (1970=100), compared favorably with Canada's 199, Australia's 207, France's 209, Sweden's 211, Japan's 215, Denmark's 217, South Africa's 222, Italy's 261, Mexico's 295, the United Kingdom's 307, Brazil's 734, and Argentina's extremely high 35,134. West Germany's food price index stood at 145, the Netherland's at 162, and Belgium's at 176.

However, in the year through March 1978, five nations, including Japan and the United Kingdom, experienced smaller food price advances than the United States' 8 percent. The overall pace of world food price rises decelerated during 1976 and 1977.

Consumer price index changes in these countries since 1970 show West Germany with the lowest inflationary impact, followed closely by the United States whose CPI rose to 163 (1970=100) over the 8-year period. In the latest year ending in March 1978, 4 of the 15 other countries surveyed posted inflation rates of less than the United States' 6.5 percent. Of the 11 nations showing higher inflation rates, Denmark, Italy, Sweden, Brazil, and Mexico experienced double-digit inflation, and Argentina's rate was nearly 173 percent.

Food price indexes are obtained from official government sources and, because they are based on local currency prices, they are, for the most part, not directly affected by exchange rate fluctuations. Exact comparisons with items normally purchased by U.S. consumers are not always possible. *Sidonia R. DiCostanzo, (202) 447-6937*



Statistical Indicators

Farm Income

Gross and net farm income[1]

	Annual			1975		1976				1977				1978
	1975	1976	1977	III	IV	I	II	III	IV	I	II	III	IV	I
						$ Bil.								
Cash receipts from farm marketings	88.1	94.3	95.0	94.1	89.0	93.0	100.4	91.5	92.4	96.7	97.1	90.4	95.9	100.9
Livestock and products	43.0	46.4	47.4	45.3	46.7	46.3	48.3	45.5	45.4	46.2	46.8	47.8	48.9	52.7
Crops	45.1	47.9	47.6	48.8	42.3	46.7	52.1	46.0	47.0	50.5	50.3	42.6	47.0	48.2
Nonmoney and other farm income[2]	8.6	9.3	11.1	9.2	9.1	9.1	9.2	9.4	9.5	9.8	10.1	10.4	14.1	12.4
Gross farm income	96.7	103.6	106.1	103.4	98.1	102.1	109.6	100.9	101.9	106.5	107.2	100.8	110.0	113.3
Farm production expenses	75.9	81.7	85.7	78.8	76.7	79.1	84.2	82.3	81.2	84.5	86.5	83.3	88.5	91.5
Net income before inventory adj.	20.8	21.9	20.4	24.6	21.4	23.0	25.4	18.6	20.7	22.0	20.7	17.5	21.5	21.8
Net change in farm inventories	3.5	-1.9	.9	2.9	5.5	-1.5	-2.2	-1.0	-2.7	-.5	.5	0	3.5	.5
Net income after inventory adj.														
Current prices	24.3	20.0	21.3	27.5	26.9	21.5	23.2	17.6	18.0	21.5	21.2	17.5	25.0	22.3
1967 prices[3]	14.6	11.4	11.3	16.3	15.7	12.5	13.3	9.9	10.0	11.7	11.3	9.2	13.0	11.3

[1] Quarterly data are seasonally adjusted at annual rates, these estimates are under revision and will be reported next month. [2] Includes government payments to farmers, value of farm products consumed in farm households, rental value of farm dwellings, and income from recreation, machine hire, and custom work. [3] Deflated by the index of prices paid by farmers for family living items on a 1967 base. Since 1977 I movement is based on the overall change in the consumer price index.

Cash receipts from farming

	Annual			1977			1978			
	1975	1976	1977	Apr	Nov	Dec	Jan	Feb	Mar	Apr
					$ Mil.					
Farm marketings and CCC loans[1]	88,077	94,326	95,025	6,788	10,469	8,853	8,724	6,976	7,236	7,079
Livestock and products	43,024	46,389	47,453	3,792	4,113	4,128	4,053	4,150	4,596	4,650
Meat animals	25,818	27,188	27,909	2,161	2,528	2,480	2,459	2,620	2,847	2,883
Dairy products	9,909	11,425	11,782	996	959	1,007	1,008	941	1,067	1,076
Poultry and eggs	6,791	7,192	7,207	584	587	584	543	548	642	640
Other	506	584	555	51	39	57	43	41	40	51
Crops	45,053	47,937	47,572	2,996	6,356	4,725	4,671	2,826	2,640	2,429
Food grains	7,763	6,799	5,886	273	240	224	422	268	234	258
Feed crops	12,153	13,475	12,257	677	1,909	1,266	1,395	789	659	639
Cotton (lint and seed)	2,311	3,552	3,961	159	861	1,055	459	189	177	35
Tobacco	2,155	2,270	2,331	33	360	284	227	46	—	17
Oil-bearing crops	7,278	8,855	9,197	834	1,452	659	1,262	728	675	648
Vegetables and melons	5,330	5,281	5,528	374	372	285	320	268	318	262
Fruits and tree nuts	3,531	3,500	4,271	264	552	483	306	280	249	187
Other	4,532	4,205	4,141	382	610	469	280	258	328	383
Government payments	807	734	1,864	71	104	1,030	308	219	151	298
Total cash receipts[2]	88,884	95,060	96,889	6,859	10,573	9,883	9,032	7,195	7,387	7,377

[1] Receipts from loans represent value of loans minus value of redemptions during the month. [2] Details may not add because of rounding.

Farm marketing indexes (physical volume)

	Annual			1977			1978			
	1975	1976	1977	Apr	Nov	Dec	Jan	Feb	Mar	Apr
					1967=100					
All commodities	113	121	124	99	169	139	134	103	97	96
Livestock and products	106	111	113	109	120	116	110	107	112	111
Crops	124	134	138	86	238	172	168	97	75	76

Cash receipts[1] from farm marketings, by States, January-April

	Livestock and Products		Crops[2]		Total[2]	
	1977	1978	1977	1978	1977	1978
			$ Mil.[3]			
NORTH ATLANTIC						
Maine	90.1	84.3	75.0	49.6	165.1	133.9
New Hampshire	19.1	20.0	7.4	7.2	26.6	27.2
Vermont	74.7	83.3	7.8	7.5	82.6	90.8
Massachusetts	38.0	36.9	35.0	33.0	73.0	69.9
Rhode Island	4.5	4.6	5.0	4.8	9.5	9.5
Connecticut	44.6	43.5	54.9	43.9	99.5	87.3
New York	389.4	425.3	154.9	142.7	544.2	568.1
New Jersey	37.4	36.9	38.7	38.8	76.1	75.7
Pennsylvania	434.9	467.4	194.5	175.7	629.4	643.1
NORTH CENTRAL						
Ohio	371.1	415.9	595.4	455.5	966.5	871.4
Indiana	423.3	499.2	692.3	521.3	1,115.6	1,020.5
Illinois	606.5	709.8	1,743.9	1,466.5	2,350.4	2,176.3
Michigan	266.9	297.2	251.1	277.4	518.0	574.6
Wisconsin	836.8	917.8	121.4	188.0	958.2	1,105.8
Minnesota	710.4	812.9	537.7	668.4	1,248.1	1,481.4
Iowa	1,279.2	1,544.7	1,338.3	937.1	2,617.5	2,481.7
Missouri	486.9	580.8	293.5	345.4	780.4	926.3
North Dakota	150.5	184.6	315.5	250.8	465.9	435.4
South Dakota	488.0	581.9	68.6	186.6	556.7	768.5
Nebraska	710.8	875.8	493.8	606.4	1,204.6	1,482.3
Kansas	640.2	801.9	394.1	428.7	1,034.3	1,230.6
SOUTHERN						
Delaware	59.7	63.9	16.1	13.8	75.8	77.7
Maryland	142.9	159.1	53.8	49.6	196.7	208.8
Virginia	177.6	188.5	65.1	60.7	242.7	249.2
West Virginia	28.9	29.5	13.1	12.4	42.0	41.9
North Carolina	361.0	397.4	147.9	127.2	508.9	524.7
South Carolina	93.8	107.2	93.8	82.7	187.6	189.9
Georgia	403.2	455.3	165.0	110.2	568.2	565.5
Florida	241.5	267.3	836.3	814.5	1,077.8	1,081.8
Kentucky	234.4	274.0	405.7	276.7	640.1	550.7
Tennessee	238.0	276.8	173.4	121.4	411.3	398.2
Alabama	344.8	394.8	110.8	108.7	455.7	503.5
Mississippi	220.1	253.9	190.1	213.1	410.2	467.0
Arkansas	352.6	390.8	222.7	261.5	575.3	652.3
Louisiana	135.6	160.2	172.6	163.7	308.2	323.9
Oklahoma	403.1	497.4	164.2	138.4	567.3	635.8
Texas	1,062.6	1,290.5	789.9	760.2	1,852.4	2,050.7
WESTERN						
Montana	95.4	117.3	156.6	136.3	252.0	253.6
Idaho	137.1	164.9	193.0	201.3	330.2	366.3
Wyoming	56.5	72.6	14.7	15.4	71.2	88.0
Colorado	431.0	518.3	128.0	158.0	559.1	676.2
New Mexico	128.2	151.8	38.2	31.7	166.4	183.6
Arizona	184.4	224.2	208.3	169.6	392.7	393.7
Utah	75.7	92.6	22.1	21.5	97.8	114.1
Nevada	31.1	39.8	20.4	15.5	51.5	55.2
Washington	168.2	193.5	339.2	308.6	507.4	502.2
Oregon	107.4	129.2	141.2	139.5	248.6	268.7
California	962.6	1,090.3	1,282.1	1,131.3	2,244.7	2,221.6
Alaska	1.3	1.4	.7	.7	2.1	2.1
Hawaii	21.3	21.7	85.8	85.8	107.1	107.5
UNITED STATES						
Grand Total	15,003.3	17,448.9	13,670.0	12,565.8	28,673.3	30,014.7

[1] Estimates as of the first of current month. [2] Sales of farm products include receipts from loans reported minus value of redemptions during the period. [3] Rounded data may not add.

Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
	1967=100									
Prices Received										
All farm products	185	186	183	192	181	186	193	200	208	215
All crops	201	197	192	211	183	188	190	198	208	212
Food grains	242	202	156	148	176	178	182	186	195	193
Feed grains and hay	230	218	181	202	172	176	180	187	194	202
Feed grains	232	214	174	192	167	172	175	183	191	198
Cotton	183	265	270	298	216	213	224	228	230	239
Tobacco	162	163	175	174	183	185	184	181	183	183
Oil-bearing crops	197	205	243	319	204	207	200	221	230	239
Fruit	138	128	158	150	182	187	194	203	194	222
Fresh market[1]	137	131	160	147	190	186	201	210	200	233
Commercial vegetables	162	161	175	167	159	187	183	188	246	213
Fresh market	173	173	198	182	163	207	201	209	296	247
Potatoes[2]	214	201	194	215	179	184	187	186	189	209
Livestock and products	172	177	175	177	180	185	196	204	209	217
Meat animals	169	170	168	175	174	183	197	209	218	233
Dairy products	175	192	193	186	203	203	203	203	201	199
Poultry and eggs	179	178	174	167	170	166	179	182	187	181
Prices Paid										
Commodities and services, interest, taxes, and wage rates	180	191	202	204	203	209	211	214	216	219
Production items	182	193	200	205	199	203	206	211	214	217
Feed	187	191	186	205	177	179	178	183	187	188
Feeder livestock	134	154	158	166	158	170	185	202	213	229
Interest payable per acre on farm real estate debt	254	287	331	331	331	384	384	384	384	384
Taxes on farm real estate	166	178	195	195	195	210	210	210	210	210
Wage rates (seasonally adjusted)	192	210	226	224	220	244	244	244	246	246
Production items, interest, taxes, and wage rates	186	198	208	212	207	215	218	221	224	227
Prices received (1910-14=100)	463	464	456	481	452	465	482	501	521	538
Prices paid, etc. (Parity index) (1910-14=100)	611	650	687	694	690	710	717	727	735	744
Parity ratio[3]	76	71	66	69	66	65	67	69	71	72

[1] Fresh market for noncitrus and fresh market and processing for citrus. [2] Includes sweetpotatoes and dry edible beans. [3] Ratio of index of prices received to index of prices paid, interest, taxes and wage rates.

Prices received by farmers, U.S. average

	Annual*			1977		1978				
	1975	1976	1977p	May	Dec	Jan	Feb	Mar	Apr	May
Crops										
All wheat ($/bu.)	3.68	3.15	2.29	2.19	2.47	2.53	2.59	2.67	2.82	2.82
Rice, rough ($/cwt.)	10.12	6.90	7.94	7.30	11.00	10.70	10.70	10.70	10.80	10.10
Corn ($/bu.)	2.70	2.49	2.03	2.25	1.96	2.00	2.03	2.15	2.24	2.29
Sorghum ($/cwt.)	4.31	4.00	3.11	3.20	3.05	3.15	3.20	3.37	3.62	3.87
All hay, baled ($/ton)	51.40	58.00	57.10	68.10	49.50	50.50	51.80	51.40	51.40	55.30
Soybeans ($/bu.)	5.24	5.58	6.82	9.24	5.69	5.75	5.53	6 20	6.49	6.77
Cotton, Upland (cts./lb.)	41.2	59.7	60.3	66.8	48.7	48.0	50.3	51.3	51.7	53.7
Potatoes ($/cwt.)	4.04	4.15	3.82	4.40	3.01	3.21	3 19	3.24	3.39	3.97
Dry edible beans ($/cwt.)	20.30	16.40	17.60	17.00	22.80	21.60	22 80	21.40	20.60	19.10
Apples for fresh use (cts./lb.)	11.3	9.6	12.1	11.7	12.6	12.6	13.6	14.8	15.2	20.1
Pears for fresh use ($/ton)	[1] 169	178	146	117	207	195	205	274	404	659
Oranges, all uses ($/box)[2]	1.80	1.69	2.67	2.40	3.70	3.71	4.16	4.49	4.04	4.35
Grapefruit, all uses ($/box)[2]	1.78	1.42	1.63	1.28	1.84	1.27	1.38	1.25	1.28	1.15
Livestock										
Beef cattle ($/cwt.)	32.20	33.90	34.50	36.30	35.50	37.20	39.90	43.80	47.30	50.30
Calves ($/cwt.)	26.90	34.50	36.80	38.40	37.50	40.80	44.50	49.10	52.90	58.30
Hogs ($/cwt.)	47.60	43.00	40.00	40.70	41.50	43.90	47.90	46.80	44.80	47.80
Lambs ($/cwt.)	42.10	47.60	51.40	55.00	56.90	61.00	62.60	67.70	64.20	67.20
All milk, sold to plants ($/cwt.)	8.78	9.66	9.72	9.37	10.20	10.20	10.20	10.20	10.10	10.00
Milk, manuf. grade ($/cwt.)	7.71	8.56	8.71	8.62	9.19	9.12	9.18	9.23	9 28	9.27
Broilers (cts./lb.)	26.2	23.1	23.6	24.1	20.2	22.8	24.3	24.8	28.1	27.2
Eggs (cts./doz.)[3]	52.8	58.8	54.2	49.2	53.6	49.4	55.1	55.4	52.2	49.3
Turkeys (cts./lb.)	33.6	31.8	34.8	33 6	40.2	38.0	37.1	37.8	37.9	39.6
Wool (cts./lb.)[4]	44.3	65.1	71.4	71.9	69.3	72.9	72.7	72.1	73.7	78.6

[1] Eleven month average. [2] Equivalent on-tree returns. [3] Average of all eggs sold by farmers, including hatching eggs and eggs sold at retail. [4] Average local market price, excluding incentive payments. p Preliminary. *Calendar year averages.

Producer and Retail Prices

Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
	1967=100									
Finished goods[1]	163.4	170.3	180.6	180.3	185.5	186.8	188.3	189.0	191.4	193.0
Consumer foods	181.0	180.2	189.1	192.3	192.9	194.8	199.3	200.1	204.6	206.9
Fruits and vegetables[2]	183.7	178.4	192.2	201.8	170.1	197.1	204.6	201.6	227.3	220.3
Eggs	159.8	179.1	162.0	144.4	166.3	145.2	170.3	167.4	152.3	141.2
Bakery products	178.6	180.0	186.2	185.3	192.0	191.8	193.6	194.4	195.2	197.5
Meats	188.7	173.6	170.7	171.8	183.6	185.9	198.2	197.6	205.3	216.0
Beef and veal	176.3	156.0	157.5	162.5	168.5	171.0	182.7	188.6	204.9	216.3
Pork	214.7	201.4	190.1	184.5	207.0	206.3	221.7	206.2	202.7	214.6
Poultry	184.1	166.2	173.3	178.5	160.0	169.1	183.7	184.4	189.6	189.2
Fish	218.7	272.4	294.3	294.9	294.8	293.5	288.5	291.4	296.0	297.1
Dairy products	155.8	168.5	173.4	174.2	178.2	178.0	178.7	180.3	184.5	184.5
Processed fruits and vegetables	169.8	170.2	187.3	185.8	194.4	194.4	194.6	195.6	196.4	197.3
Refined sugar[3]	n.a.	n.a.	n.a.	n.a.	n.a.	100.1	112.0	108.6	104.0	107.6
Vegetable oil end products	211.5	174.2	198.7	214.8	197.4	194.5	193.9	206.6	216.8	219.8
Consumer finished goods less foods	153.1	161.8	172.1	171.0	176.2	177.2	177.7	178.2	180.4	181.6
Beverages, alcoholic	134.7	138.1	139.7	139.0	142.0	142.5	145.2	146.3	145.3	146.2
Beverages, nonalcoholic	186.1	187.2	198.1	196.2	203.5	204.7	207.3	207.3	209.2	211.0
Apparel	133.4	139.9	147.3	146.6	149.4	149.8	149.8	150.0	150.3	150.8
Footwear	147.8	158.9	168.9	168.1	172.1	173.8	176.2	176.2	180.5	181.4
Tobacco products	149.6	163.0	180.0	175.3	189.9	190.4	191.2	190.9	191.4	191.4
Intermediate materials[4]	180.0	189.3	201.7	202.1	205.3	207.0	208.9	210.7	212.4	213.7
Materials for food manufacturing	209.4	180.6	181.7	191.1	185.8	186.2	191.2	195.7	201.7	203.9
Flour	163.4	147.8	118.9	115.9	122.0	129.6	127.5	130.6	147.4	142.3
Refined sugar[3]	n.a.	n.a.	n.a.	n.a.	n.a.	101.5	108.3	106.0	108.6	108.4
Crude vegetable oils	208.1	162.5	197.5	248.6	196.6	185.9	184.6	223.9	219.5	232.1
Crude materials[4]	196.9	205.1	214.3	224.4	215.6	219.6	225.0	231.2	238.9	241.1
Foodstuffs and feedstuffs	191.8	190.1	190.9	201.8	189.9	194.0	201.3	207.5	216.3	219.1
Fruits and vegetables[2]	183.7	178.4	192.2	201.8	170.1	197.1	204.6	201.6	227.3	220.3
Grains	223.9	205.9	165.3	171.2	167.3	169.1	170.8	178.9	198.7	189.2
Livestock	187.8	173.3	173.0	180.2	182.7	188.2	202.1	208.3	218.1	230.3
Poultry, live	189.8	166.9	175.4	183.1	157.8	170.2	188.8	187.9	196.0	194.5
Fibers, plant and animal	153.1	223.9	202.3	238.6	161.0	171.0	174.4	186.9	181.0	191.8
Milk	180.2	201.2	202.6	198.3	210.1	208.4	209.7	219.7	212.1	212.1
Oilseeds	198.5	204.4	236.8	300.5	204.2	206.1	195.5	224.0	232.6	234.4
Coffee, green	177.8	305.5	504.1	603.9	431.5	417.2	408.3	386.2	372.1	378.1
Tobacco, leaf	n.a.	164.2	n.a.	n.a.	185.3	185.1	184.4	181.9	n.a.	n.a.
Sugar, raw cane	316.2	185.5	149.5	156.6	134.0	172.5	192.5	182.1	192.9	187.1
All commodities	174.9	183.0	194.2	195.2	198.2	199.9	202.0	203.8	206.4	207.9
Industrial commodities	171.5	182.4	195.1	194.2	200.0	201.5	202.8	204.1	206.0	207.3
All foods[7]	186.0	178.9	186.8	190.5	190.5	193.3	198.3	199.2	204.5	206.6
Farm products and processed foods and feeds	184.2	183.1	188.8	196.8	189.5	192.1	196.6	200.3	205.5	207.7
Farm products	186.7	191.0	192.5	204.3	188.3	192.2	198.9	205.3	213.6	215.7
Processed foods and feeds	182.6	178.0	186.1	191.9	189.3	191.3	194.6	196.8	200.2	202.5
Cereal and bakery products	178.0	172.1	173.2	172.0	182.0	183.6	184.7	185.7	188.6	188.2
Sugar and confectionery	254.3	190.9	177.6	184.4	179.0	185.8	193.8	192.9	196.9	197.1
Beverages	162.4	173.5	200.9	206.1	201.3	201.9	201.1	200.0	200.1	199.5
Wholesale spot prices, 9 foodstuffs	227.3	201.6	208.2	219.4	215.1	215.4	220.8	225.1	239.5	242.2

[1] Commodities ready for sale to ultimate consumer. [2] Fresh and dried. [3] Consumer size packages, Dec. 1977=100. [4] Commodities requiring further processing to become finished goods. [5] For use in food manufacturing. [6] Products entering market for first time which have not been manufactured at that point. [7] Includes all processed food (except soft drinks, alcoholic beverages, and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables. n.a.=not available.

Consumer Price Index, U.S. average (not seasonally adjusted)*

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
					1967=100					
Consumer price index, all items	161.2	170.5	181.5	180.6	186.1	186.9	188.3	189.8	191.3	193.2
Consumer price index, less food	157.1	167.5	178.4	177.3	183.1	183.6	184.5	185.8	187.1	188.5
All food	175.4	180.8	192.2	191.7	196.3	198.2	201.3	203.6	205.6	209.3
Food away from home	174.3	186.1	200.3	199.3	206.2	207.2	208.1	209.3	210.9	212.4
Food at home	175.8	179.5	190.2	189.8	193.7	195.9	199.6	202.1	204.3	208.6
Meats[1]	177.9	178.2	174.2	171.3	178.3	182.2	187.5	192.0	197.1	202.8
Beef and veal	170.0	164.5	163.6	162.8	168.0	170.5	175.6	179.2	186.3	196.2
Pork	196.9	199.5	188.8	182.0	191.7	198.4	204.5	209.2	212.9	213.6
Poultry	162.4	155.7	156.7	157.6	153.6	158.0	161.3	165.4	169.8	171.4
Fish	203.3	227.3	251.6	248.8	262.6	265.1	264.9	265.4	266.5	268.4
Eggs	157.8	172.4	166.9	152.8	148.6	168.9	161.7	165.3	160.3	152.1
Dairy products[2]	156.6	169.3	173.9	173.1	176.9	177.5	179.4	179.9	181.4	182.8
Fats and oils[3]	198.6	173.7	191.4	188.5	196.1	196.3	197.7	199.3	200.1	204.0
Fruits and vegetables	171.0	175.4	191.6	195.1	192.5	191.8	199.4	205.1	208.9	222.8
Fresh	166.1	170.2	193.4	200.8	188.0	185.9	196.5	205.9	212.5	235.3
Processed	178.3	183.0	188.8	186.7	199.2	200.5	203.7	203.9	203.7	204.4
Cereals and bakery products	184.8	180.6	183.5	182.5	189.0	190.8	194.5	194.4	194.8	198.2
Sugar and sweets	246.2	218.2	229.4	230.1	239.7	245.4	252.7	255.5	257.9	259.0
Beverages, nonalcoholic	178.9	214.0	322.4	334.6	334.3	332.4	331 0	329.7	323.9	320.4
Apparel commodities less footwear	140.6	144.9	150.6	149.7	154.5	151.0	151.7	153.2	153.9	154.6
Footwear	144.2	149.9	156.9	157.0	159.6	158.2	159.8	161.5	162.5	163.3
Tobacco products	153.9	160.5	168.2	156.2	173.0	173.4	173.8	174.1	174.3	174.4
Beverages, alcoholic	142.1	146.8	150.9	150.3	153.2	153.9	155.4	156.9	158.4	160.0

[1] Beef, veal, lamb, mutton, pork and processed meat. [2] Includes butter. [3] Excludes butter. *Unrevised CPI.

Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)*

	1977	1978								
	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Consumer price index, all items	186.1	187.2	188.4	189.8	191.5	193.3				
Consumer price index, less food	183.1	183.8	184.7	185.9	187.4	189.0				
All food	196.3	199.2	202.0	204.2	207.5	210.3				
Food away from home	206.2	208.2	210.5	212.3	214 0	215.8				
Food at home	193.7	197.0	200.1	202.5	206.5	209.7				
Meats[1]	178.3	183.1	188.7	193.6	200.8	206.2				
Beef and veal	168.0	171.1	177.0	182.0	191.9	201.0				
Pork	191.7	199.6	205.2	208.4	211.5	211.3				
Poultry	153.6	157.5	161.5	163.9	169.3	171.0				
Fish	262.6	266.3	266.5	267.4	271.6	272.8				
Eggs	148.6	156.1	159.1	160.7	155.3	147.4				
Dairy products[2]	176.9	177.7	178.8	179.3	181.6	183.5				
Fats and oils[3]	196.1	198.1	198.9	200.4	204.5	207.9				
Fruits and vegetables	192.5	197.2	200.9	203.8	210.9	219.3				
Fresh	188.0	195.0	200.3	204.6	217.3	233.3				
Processed	199.2	201.5	203.3	204.6	205.7	205.9				
Cereals and bakery products	189.0	191.3	193.1	194.4	195 2	197.5				
Sugar and sweets	239.7	244.9	248.1	251.7	254.9	256.4				
Beverages, nonalcoholic	334.3	337.1	339.5	341.7	342.9	341.6				
Apparel commodities less footwear	154.5	151.1	149.2	151.4	153.5	154.8				
Footwear	159.6	158.8	159.3	160.7	161.7	163.4				
Tobacco products	173.0	173.3	173 6	173.6	173.9	174.0				
Beverages, alcoholic	153.2	154.2	155.4	156.5	157.9	159.2				

[1] Beef, veal, lamb, pork and processed meat. [2] Includes butter. [3] Excludes butter.

*Revised indexes; not directly comparable with CPI previously published in AO.

Farm-Retail Price Spreads

Farm-retail price spreads

	Annual			1977p		1978p				
	1975	1976	1977p	May	Dec	Jan	Feb	Mar	Apr	May
Market basket[1]:										
Retail cost (1967=100)	173.6	175.4	179.2	178.0	181 8	184.2	188.1	190.7	193.3	198.2
Farm value (1967=100)	187.2	178.4	178.7	179.2	179.5	186.2	191.3	199.6	207.6	212.1
Farm-retail spread (1967=100)	165.0	173.5	179.6	177.3	183.3	183.0	186.0	185.1	184.2	189.4
Farmer's share (%)	42	39	39	39	38	39	39	41	42	42
Beef, choice:										
Retail price[2] (cts./lb.)	146.0	138.9	138.3	138.4	144.8	148 2	151.2	154.6	162.9	172.7
Carcass value[3] (cts.)	105.5	88.6	91.0	93.4	98.6	99.4	102.6	108.1	117.4	127.4
Net farm value (cts./2.28 lbs.)	92.9	77.9	79.9	83.8	86.1	86.6	89.8	98.1	106.6	116.9
Farm-retail spread (cts.)	53.1	61.0	58.4	55.6	58.7	61.6	61.4	56.5	56.3	55.8
Carcass-retail spread[4] (cts.)	40.5	50.3	47.3	45.0	46.2	48.8	48.6	46.5	45.5	45.3
Farm-carcass spread[5] (cts.)	12.6	10.7	11.1	10.6	12.5	12.8	12.8	10.0	10.8	10.5
Farmer's share (%)	64	56	58	60	59	58	59	63	65	68
Pork:										
Retail price[2] (cts./lb.)	135.0	134.3	125.4	120.9	130.6	133.8	138.4	139.4	140.9	141 4
Wholesale value[3] (cts.)	103.8	93.6	87.6	86.8	95.1	91.5	96.5	96.4	95.7	98.1
Net farm value (cts./1.97 lbs.)	86.9	78.5	73.4	73.8	79.0	82.3	87.6	84.2	81.9	87.8
Farm-retail spread (cts.)	48.1	55.8	52.0	47.1	51.6	51.5	50.8	55.2	59.0	53.6
Carcass-retail spread[4] (cts.)	31.2	40.7	37.8	34.1	35.5	42.3	41.9	43.0	45.2	43.3
Farm-carcass spread[5] (cts.)	16.9	15.1	14.2	13.0	16.1	9.2	8.9	12.2	13.8	10.3
Farmer's share (%)	64	58	59	61	60	62	63	60	58	62
Milk, fresh:										
Retail price (cts./½ gal.)	78.5	82.8	83.9	83.4	84.3	84.5	85.3	85.8	86.7	87.2
Farm value (cts./4.39 lbs. Class I)	41.2	46.2	45.8	44.4	46.7	47.3	47.6	47.3	49.1	47.6
Farm-retail spread (cts.)	37.3	36.6	38.1	39.0	37.6	37.2	37.7	38.5	37.6	39.6
Farmer's share (%)	52	56	55	53	55	56	56	55	57	55
Chicken, frying:										
Retail price (cts./lb.)	63.2	59.7	60.1	60.7	57.7	59.8	61.3	63.1	65.1	65.6
Farm value (cts./1.41 lbs. broilers)	37.0	32.6	33.0	35.4	27.9	31.2	32.9	33.7	39.5	34.8
Farm-retail spread (cts.)	26.2	27.1	27.1	25.3	29.8	28.6	28.4	29.4	25.6	30.8
Farmer's share (%)	59	55	55	58	48	52	54	53	61	53
Eggs, large grade A										
Retail price (cts./doz.)	77.0	84.9	82.3	75.2	71.9	82.7	80.8	81.8	79.4	74.7
Farm value (cts./1.03 doz.)	50.8	58 0	53.8	46.7	44.3	54.2	51.5	52.3	50.2	43.3
Farm-retail spread (cts.)	26.2	26.9	28.5	28.5	27.6	28.5	29.3	29.5	29.2	31.4
Farmer's share (%)	66	68	65	62	62	66	64	64	63	58
Bread, white:										
Retail price (cts./lb.)	36.0	35.3	35.5	35.4	35.6	35.0	36.1	36.2	35.9	36 8
Farm value (cts./0.867 lb. wheat)	4.5	3.8	2.6	2.5	2.8	3.0	2.9	3.0	3.5	3.4
Farm value (cts. for all farm ingredients)	6.8	5.6	4.5	4.4	4.7	4.9	4.9	5.1	5.6	5.4
Farm-retail spread (cts.)	29.2	29.7	31.0	31.0	30.9	30.1	31.2	31.1	30.3	31.4
Farmer's share (%)	19	16	13	12	13	14	14	14	16	15
Lettuce:										
Retail price (cts./head)	41.7	47.7	47.6	41.2	56.2	50.6	64.8	50.1	58.8	102.8
Farm value (cts./1.88 lbs.)	13.8	17.1	15.0	10.2	13.9	19.8	22.0	14.8	26.3	36.9
Farm-retail spread (cts.)	27.9	30.6	32.6	30.9	42.3	30.8	42.8	35.3	32.5	65.9
Farmer's share (%)	33	36	32	25	25	39	34	30	45	36
Potatoes:										
Retail price (cts./10 lbs.)	134.4	145.8	149.7	166.4	132.0	129.0	130.5	132.9	134.7	141.1
Farm value (cts./10.42 lbs.)	42.2	43.2	41.2	45.8	31.3	33.4	33.2	33.7	35.3	41.3
Farm-retail spread (cts.)	92.2	102.6	108.5	120.6	100.7	95.6	97.3	99.2	99.4	99.8
Farmer's share (%)	31	30	28	28	24	26	25	25	26	29
Tomatoes:										
Retail price (cts./lb.)	57.9	57.6	67.8	77.4	73.0	72.1	56.8	70.2	63.5	84 4
Farm value (cts./1.18 lbs.)	23.8	23.8	28.2	27.0	22.1	27.8	20.8	25.4	39.6	31.4
Farm-retail spread (cts.)	34.1	33.8	39.6	50.4	50.9	44.3	36.0	44.8	23.9	58.0
Farmer's share (%)	41	41	42	35	30	39	37	36	62	35
Orange juice, frozen concentrate:										
Retail price (cts./6-oz. can)	28.2	28.7	34.6	33.9	41.2	42.2	43.3	43.8	44.1	44.5
Farm value (cts./3.08 lbs.)	8.6	10.7	10.5	9.7	11.3	13.2	15.3	18.6	21.5	21.0
Farm-retail spread (cts.)	19.6	18.0	24.1	24.2	29.9	29.0	28.0	25.2	22.6	23.5
Farmer's share (%)	30	37	30	29	27	31	35	42	49	47
Margarine:										
Retail price (cts./lb.)	62.9	52.5	57.2	56.2	59.0	58.6	59.4	60.8	60.9	62.4
Farm value (cts. for veg. oil and NFDM)	21.1	16.6	20.5	24.7	19.2	17.8	17.9	20.1	21.9	23.5
Farm-retail spread (cts.)	41.8	35.9	36.7	31.5	39.8	40.8	41.5	40.7	39.0	38.9
Farmer's share (%)	34	32	36	44	33	30	30	33	36	38

[1] For a market basket of U.S. farm foods representing the average quantities purchased annually per household in 1960-61. Retail prices are from Bureau of Labor Statistics unless otherwise noted. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods. [2] Composite monthly average prices of all cuts adjusted for volume sold at special prices-derived from BLS and food chain prices. [3] For a quantity equivalent to 1 lb. retail cuts: Beef, 1.41 lb. of carcass beef (yield grade 3); pork, 1.07 lb. of wholesale cuts. [4] Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. [5] Represents charges made for livestock marketing, processing, and transportation to city where consumed. p Preliminary.

Transportation Data

Rail rates, grain and fruit and vegetable shipments

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan.	Feb	Mar	Apr	May
Rail freight rate index[1]										
All products (1969=100)	169.4	186.6	199.1	198.2	207.7	207.8	207.8	208.0	208.1	208.2
Farm products (1969=100)	165.0	182.7	191.3	190.4	200.1	200.9	200.1	200.1	200.1	200.1
Food products (1969=100)	168.5	185.1	195.3	193.9	204.0	204.0	203.9	204.6	204.6	205.2
Rail carloadings of grain (thou. cars)[2]	22.8	25.5	24.0	19.4	22.7	21.5	21.7	23.7	23.8	25.4
Barge shipments of grain (mil. bu.)[3]	23.0	30.4	29.3	34.4	27.0	25.0	19.5	24.2	34.2	34.4
Fresh fruit and vegetable shipments										
Rail (thou. carlots)[3 4]	3.8	3.3	2.0	[5]1,856	1.6	[5]1,106	[5]946	[5]1,184	[5]1,023	[5]1,110
Truck (thou. carlots)[3 4]	13.9	16.0	15.4	[5]8,036	15.3	[5]6,242	[5]6,773	[5]8,238	[5]6,464	[5]7,853

[1]Department of Labor, Bureau of Labor Statistics. [2]Weekly average; from Association of American Railroads. [3]Weekly average; from Agricultural Marketing Service, USDA. [4]Preliminary data for 1977 and 1978. [5]Shipments reported in 1000 hundredweight. Typical truck loads are about 40,000 pounds and average railcar/loads in 1975 were about 60,000 pounds.

Livestock and Products

Livestock and products output and prices

	1976	1977					1978				
	Annual	I	II	III	IV	Annual	I	II[1]	III[1]	IV[1]	Annual[1]
Beef (mil. lb.)	25,667	6,287	6,158	6,321	6,220	24,986	6,104	5,925	6,000	5,800	23,829
Change (pct.)[2]	+8	-3	0	-4	-3	-3	-3	-4	-5	-7	-5
Pork (mil. lb.)	12,488	3,294	3,184	3,073	3,500	13,051	3,242	3,250	3,200	3,550	13,242
Change (pct.)[2]	+8	+11	+12	+2	-5	+5	-2	+2	+4	+1	+1
Veal (mil. lb.)	813	201	187	205	201	794	178	150	140	145	613
Change (pct.)[2]	-2	-2	+5	0	-10	-2	-11	-20	-32	-28	-23
Lamb and mutton (mil. lb.)	361	90	86	84	81	341	75	77	84	78	314
Change (pct.)[2]	-10	-5	+5	-9	-12	-6	-17	10	0	-4	-8
Red meats (mil. lb.)	39,329	9,872	9,615	9,683	10,002	39,172	9,599	9,402	9,424	9,573	37,998
Change (pct.)[2]	+8	+1	+4	-2	-4	0	-3	-2	-3	-4	-3
Broilers (mil. lb.)	8,988	2,156	2,399	2,424	2,248	9,227	2,327	2,545	2,620	2,475	9,967
Change (pct.)[2]	+13	+2	+4	+2	+3	+3	+8	+6	+8	+10	+8
Turkeys (mil. lb.)	1,950	210	365	672	645	1,892	228	400	705	670	2,003
Change (pct.)[2]	+14	+1	-1	-5	-3	-3	+9	+10	+5	+4	+6
Total meats (mil. lb.)	50,267	12,238	12,379	12,779	12,895	50,291	12,154	12,347	12,749	12,718	49,968
Change (pct.)[2]	+9	+1	+4	-2	-3	0	-1	0	0	-1	-1
Eggs (mil. doz.)	5,377	1,324	1,335	1,330	1,414	5,403	1,373	1,375	1,360	1,395	5,503
Change (pct.)[2]	0	-1	0	0	+5	0	+4	+3	+2	-1	+2
Milk (bil. lb.)	120.3	29.8	33.1	30.9	29.0	[3]123.0	29.9	32.9	30.4	28.5	121.7
Change (pct.)[2]	+4	+2	+2	+3	+2	+2	0	-1	-2	-2	-1
Total livestock and products (1974=100)	105.5	103.1	107.5	107.5	106.5	106.2	103.0	107.2	106.8	104.6	105.4
Change (pct.)[2]	+6.6	+1.1	+2.8	-.6	-.7	+.7	-.1	-.3	-.7	-1.8	-.8

See footnotes at end of table.

—Continued

Livestock and products output and prices—Continued

	1976	1977					1978				
	Annual	I	II	III	IV	Annual	I	II[1]	III[1]	IV[1]	Annual[1]
Prices											
Choice steers, Omaha ($ per cwt.)	39.11	37.88	40.77	40.47	42.42	40.38	45.77	55.00	55-57	54-56	–
Barrows and gilts, 7-markets ($ per cwt.)	43.11	39.08	40.87	43.85	41.38	41.07	47.44	47.65	50-52	46-48	–
Broilers, 9-city wholesale (cts. per lb.)[4]	40.2	40.9	42.3	42.4	37.6	40.8	41.8	47.5	47-49	43-45	–
Turkeys, N.Y., wholesale (cts. per lb.)[5]	48.8	50.2	51.5	53.1	61.3	54.0	60.2	61.2	61-63	61-63	–
Eggs, cartoned, Grade A large, N.Y. (cts. per doz)	70.3	74.9	57.8	61.5	58.9	63.3	62.0	53.5	57-59	62-64	–
Milk, all at farm, ($ per cwt.)	9.66	9.54	9.38	9.73	10.23	9.71	10.20	10.05	10.45-10.65	11.00-11.40	10.40-10.60
Livestock prices received by farmers (1967=100)	177	172	174	178	177	175	195	216	225	223	215

[1] Forecast. [2] Change from year-earlier. [3] Does not add due to rounding of quarterly data. [4] Weighted average. [5] 8-16 pound young hens.

Dairy:

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
Milk production:										
Total milk (mil. lb.)	115,334	120,269	122,957	11,373	9,770	9,988	9,341	10,528	10,686	11,219
Milk per cow (lb.)	10,350	10,879	11,194	1,035	893	914	856	967	982	1,032
Number of milk cows (thou.)	11,143	11,055	10,984	10,991	10,939	10,931	10,915	10,883	10,883	10,866
Milk prices, Minnesota-Wisconsin, 3.5% fat ($/cwt.)[1]	7.62	8.48	8.58	8.62	8.87	8.91	9.00	9.09	9.24	9.25
Price of 16% dairy ration ($/ton)	134	141	140	152	135	136	134	135	137	136
Milk-feed price ratio (lb.)[2]	1.40	1.53	1.57	140	1.72	1.69	1.70	1.68	1.62	1.60
Stocks, beginning										
Total milk equiv. (mil. lb.)[3]	5,886	3,844	5,708	7,708	8,980	8,626	8,737	8,897	9,171	9,562
Commercial (mil. lb.)	5,576	3,719	5,299	5,959	5,191	4,916	5,229	5,148	4,838	5,144
Government (mil. lb.)	310	124	410	1,749	3,790	3,710	3,508	3,749	4,332	4,418
Imports, total milk equiv. (mil. lb.)[3]	1,669	1,943	1,968	103	397	228	157	152	124	–
USDA net removals:										
Total milk equiv. (mil. lb.)[3]	2,036	1,236	6,092	1,043.3	5.9	554.1	556.6	42.7	509.1	776.6
Butter:										
Production (mil. lb.)	983.8	978.6	1,085.6	103.2	89.5	108.3	95.7	97.7	98.5	–
Stocks, beginning (mil. lb.)	49.2	10.9	47.1	128.2	193.4	184.9	195.7	215.9	235.6	245.6
Wholesale price, Grade A Chicago (cts./lb.)	79.4	92.0	98.4	100.7	101.5	100.7	100.7	101.2	105.2	106.7
USDA net removals (mil. lb.)	63.4	39.4	222.4	43.7	.1	26.0	26.7	2.1	24.4	34.6
Commercial disappearance (mil. lb.)	951.0	919.0	859.2	56.3	95.6	65.3	64.2	107.8	70.6	–
American cheese:										
Production (mil. lb.)	1,654.6	2,048.8	2,042.4	212.0	160.1	163.6	154.3	182.9	190.8	–
Stocks, beginning (mil. lb.)	420.9	307.8	411.4	446.4	435.7	422.1	412.8	389.5	374.9	389.8
Wholesale price, Wisconsin assembly pt. (cts./lb.)	86.6	96.3	96.8	97.9	100.1	100.1	100.8	101.4	102.6	102.6
USDA net removals (mil. lb.)	68.2	38.0	148.3	14.0	.1	1.4	.3	-.4	1.8	6.0
Commercial disappearance (mil. lb.)	1,717.1	1,920.9	1,958.1	156.1	174.5	169.5	169.9	190.7	170.0	–
Other cheese:										
Production (mil. lb.)	1,156.8	1,274.1	1,315.5	114.0	121.4	110.5	106.3	128.9	115.4	–
Stocks, beginning (mil. lb.)	73.1	60.8	67.1	64.0	62.4	64.0	65.8	64.5	65.7	68.4
Commercial disappearance (mil. lb.)	1,331.9	1,458.0	1,512.3	122.3	159.0	121.1	121.0	144.2	125.7	–
Nonfat dry milk:										
Production (mil. lb.)	1,001.5	926.2	1,106.0	119.8	78.0	79.7	70.6	84.4	96.4	–
Stocks, beginning (mil. lb.)	293.2	468.9	485.4	522.0	681.7	677.9	689.4	681.4	662.1	686.5
Wholesale price, avg. manf. (cts./lb.)	63.3	63.4	66.5	67.9	68.1	68.1	68.0	68.0	70.5	–
USDA net removals (mil. lb.)	394.4	157.1	464.3	62.8	20.3	29.1	22.6	12.1	27.6	51.5
Commercial disappearance (mil. lb.)	697.0	719.2	681.6	45.5	64.4	50.3	54.5	77.7	39.5	–
Frozen dessert production (mil. gal.)[4]	1,183.9	1,154.0	1,147.4	106.1	71.7	69.5	75.5	98.6	95.2	–

[1] Manufacturing grade milk. [2] Pounds of ration equal in value to 1 lb. of milk. [3] Milk equivalent, fat-solids basis. [4] Ice cream, ice milk, and sherbet.

Meat animals:

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
Cattle on feed (7-States)										
Number on feed (thou. head)[1]	6,369	8,537	8,213	7,197	8,567	8,927	8,614	8,276	8,262	7,861
Placed on feed (thou. head)[2]	18,095	18,976	20,817	1,589	2,067	1,639	1,509	1,887	1,509	2,034
Marketings (thou. head)	14,988	18,167	18,720	1,479	1,605	1,740	1,666	1,698	1,695	1,677
Other disappearance (thou. head)	939	1,133	1,383	254	102	212	181	203	215	205
Beef steer-corn price ratio, Omaha (bu.)[3]	15.8	15.2	19.9	19.0	21.1	21.7	22.2	22.8	23.3	24.4
Hog-corn price ratio, Omaha (bu.)[3]	16.9	16.5	20.2	18.8	21.4	22.7	24.0	22.2	20.4	20.9
Commercial slaughter (thou. head)										
Cattle	40,911	42,654	41,856	3,300	3,470	3,468	3,268	3,467	3,180	3,435
Steers	17,819	18,879	19,342	1,607	1,562	1,606	1,555	1,661	1,507	1,656
Heifers	10,438	12,158	11,748	911	933	971	912	998	916	972
Cows	11,557	10,619	9,864	706	909	832	742	742	690	735
Bulls and stags	1,097	998	902	76	66	59	59	66	67	72
Calves	5,209	5,350	5,517	419	450	425	387	439	352	336
Sheep and lambs	7,835	6,714	6,356	492	456	438	402	502	450	468
Hogs	68,687	73,784	77,303	6,134	6,528	6,240	6,090	7,068	6,459	6,556
Commercial production (mil. lb.)										
Beef	23,673	25,667	24,986	1,991	2,045	2,077	1,953	2,073	1,910	2,066
Veal	827	813	794	62	63	62	56	60	50	52
Lamb and mutton	399	361	341	25	25	25	23	28	25	26
Pork	11,586	12,488	13,051	1,044	1,108	1,050	1,013	1,179	1,093	1,125
Market prices					Dol. per 100 pounds					
Slaughter cattle:										
Choice steers, Omaha	44.61	39.11	40.38	41.98	43.13	43.62	45.02	48.66	52.52	57.28
Utility cows, Omaha	21.09	25.31	25.32	26.57	25.02	27.59	30.34	32.44	36.94	39.21
Choice vealers, S. St. Paul	40.44	45.18	48.19	54.92	40.50	40.50	43.75	47.60	69.45	77.26
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	33.91	39.40	40.19	41.72	41.33	44.07	47.60	52.00	55.08	60.36
Slaughter hogs:										
Barrows and gilts, No. 1&2, Omaha[4]	50.12	44.70	42.10	42.60	45.38	46.95	49.72	48.01	46.60	50.15
Barrows and gilts, 7-markets	48.32	43.11	41.07	41.97	43.99	45.99	48.83	47.50	46.04	49.17
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	44.80	36.54	35.42	40.91	30.38	35.88	44.12	51.63	54.57	54.08
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	44.45	49.87	54.28	55.56	58.75	61.44	64.88	76.69	73.12	72.85
Ewes, Good, San Angelo	15.34	17.69	19.19	16.62	25.75	26.19	26.94	28.40	23.81	24.15
Feeder lambs:										
Choice, San Angelo	41.40	51.28	55.12	51.38	68.83	67.00	76.31	80.85	73.33	75.05
Wholesale meat prices, Midwest[5]										
Choice steer beef, 600-700 lb.	72.55	60.99	62.67	64.44	68.10	68.74	71.08	74.88	81.43	88.48
Canner and Cutter cow beef	42.90	52.00	51.55	52.17	51.97	57.64	62.92	67.79	74.13	76.17
Pork loins, 8-14 lb.	92.69	86.45	83.04	83.14	88.70	91.60	92.63	90.04	89.29	97.70
Pork bellies, 12-14 lb.	78.52	65.27	54.19	57.10	51.32	59.37	67.14	74.58	70.61	66.97
Hams, skinned, 14-17 lb.	84.06	79.79	76.50	70.39	92.09	83.00	87.76	80.35	72.34	78.45

	Annual			1977				1978		
	1975	1976	1977	I	II	III	IV	I	II	III
Cattle on feed (23-States):										
Number on feed (thou. head)[1]	9,622	12,328	11,948	11,948	10,619	9,765	9,793	12,799	11,716	—
Placed on feed (thou. head)[2]	24,685	25,508	27,657	5,614	6,007	6,479	9,557	6,479	—	—
Marketings (thou. head)	20,500	24,170	24,861	6,462	6,147	6,159	6,093	6,773	—	—
Other disappearance (thou. head)	1,479	1,718	1,935	481	714	292	448	789	—	—
Hogs and pigs (14-States):[6]										
Inventory (thou. head)[1]	47,170	41,855	47,120	47,120	44,100	46,640	49,233	48,308	44,680	47,025
Breeding (thou. head)[1]	6,283	6,368	6,788	6,788	7,016	7,352	7,200	7,324	6,930	7,405
Market (thou. head)[1]	40,887	35,487	40,332	40,332	37,084	39,288	42,033	40,984	37,750	39,620
Farrowings (thou. head)	8,417	9,996	10,506	2,304	2,893	2,605	2,565	2,285	2,865	[7]2,685
Pig crop (thou. head)	60,476	72,580	75,217	15,586	21,386	18,804	18,421	15,626	20,685	—

[1] Beginning of period. [2] Other disappearance excluded in 1973; not comparable with 1974 and 1975. [3] Bushels of corn equal in value to 100 pounds liveweight. [4] 220-240 lb. [5] Prior to Oct. 1975, Chicago. [6] Quarters are Dec. preceding year-Feb. (I), Mar-May (II), June-Aug (III), and Sept-Nov (IV). [7] Intentions.

Wool:

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
U.S. wool price, Boston[1] (cts./lb.)	150	182	183	183	182	182	178	178	181	185
Imported wool price, Boston[2] (cts./lb.)	202	214	224	225	224	223	223	226	228	229
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	94,117	106,629	95,485	7,680	7,947	7,677	8,228	10,430	8,392	n.a.
Carpet wool (thou. lb.)	15,908	15,117	12,526	1,077	1,028	979	826	1,234	1,052	n.a.

[1] Wool price delivered at U.S. mills, clean basis. Graded Territory 64's (20.60-22.04 microns) staple 2¾" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. [2] Wool price delivered at U.S. mills, clean basis, Australian 64's, type 78, including duty (25.5 cents). Prior to January 1976 reported as: Australian 64's combing, excluding duty. n.a. Not available.

Poultry and eggs:

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
Eggs										
Farm production (mil.)	64,586	64,517	64,837	5,468	5,809	5,733	5,083	5,662	5,509	5,669
Average number of layers on farms (mil.)	278	274	275	269	287	285	281	278	276	275
Rate of lay (eggs per layer)	233	235	236	20.3	20.2	20.1	18.1	20.4	19.9	20.6
Cartoned price, New York, grade A large (cts./doz.)[1]	63.9	70.3	63.3	55.0	64.0	57.2	64.9	64.0	57.6	52.9
Price of laying feed ($/ton)	147	151	152	166	145	147	146	149	154	155
Egg-feed price ratio (lb.)[2]	7.2	7.8	7.3	5.9	7.4	6.7	7.5	7.4	6.8	6.4
Stocks, beginning of period:										
Shell (thou. cases)	36	22	28	42	50	39	50	41	37	36
Frozen (mil. lb.)	54.2	36.3	26.1	25.3	31.2	29.7	28.1	25.7	22.9	23.2
Replacement chicks hatched (mil.)	454	492	502	52.5	32.5	36.8	37.1	47.0	51.4	53.6
Broilers										
Federally inspected slaughter, certified (mil. lb.)	7,966	8,987	9,227	809.9	753.2	781.4	715.7	830.0	707.8	–
Wholesale price, 9-city, (cts./lb.)	45.1	40.2	40.8	42.2	36.2	40.2	43.1	42.2	46.1	46.1
Price of broiler grower feed ($/ton)	163	168	171	187	160	162	164	167	169	171
Broiler-feed price ratio (lb.)[2]	3.2	2.8	2.7	2.6	2.5	2.8	3.0	3.0	3.3	3.2
Stocks, beginning of period (mil. lb.)	37.2	22.3	32.9	21.7	33.3	29.4	27.5	21.8	21.7	22.6
Average weekly placements of broiler chicks, 21 States (mil.)	57.7	63.6	66.7	72.1	66.2	67.7	69.0	71.7	74.7	76.7
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	1,716	1,950	1,892	110.0	148.2	81.8	59.7	86.3	80.8	–
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	53.2	48.7	54.0	50.8	65.8	60.5	59.2	60.9	59.2	61.3
Price of turkey grower feed ($/ton)	167	174	184	200	177	177	177	179	183	184
Turkey-feed price ratio (lb.)[2]	4.2	3.7	3.9	3.4	4.6	4.3	4.2	4.2	4.1	4.3
Stocks, beginning of period (mil. lb.)	275.0	195.2	203.4	112.9	269.4	167.9	168.3	136.6	112.9	101.1
Poults hatched (mil.)	137.1	149.5	148.4	20.7	8.5	11.8	13.7	18.1	19.1	20.7

[1] Price of cartoned eggs to volume buyers for delivery to retailers. [2] Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

Crops and Products

Feed grains:

	Marketing year[1]			1977		1978				
	1974/75	1975/76	1976/77	May	Dec	Jan	Feb	Mar	Apr	May p
Wholesale prices:										
Corn, No. 2 yellow, Chicago ($/bu.)	3.12	2.75	2.30	2.41	2.19	2.19	2.21	2.36	2.51	2.57
Sorghum, No. 2 yellow, Kansas City ($/cwt.)	5.04	4.46	3.49	3.53	3.36	3.37	3.49	3.78	3.92	3.92
Barley, feed, Minneapolis ($/bu.)	2.58	2.38	2.34	2.13	1.65	1.65	1.65	1.66	1.99	1.90
Barley, malting, Minneapolis ($/bu.)[2]	4.16	3.52	3.13	2.83	2.32	2.26	2.33	2.32	2.44	2.51
Exports:										
Corn (mil. bu.)	1,149	1,711	1,684	140	154	128	129	158	162	*193
Feed grains (mil. short tons)[3]	39.4	55.1	55.8	4.5	5.3	4.2	4.3	5.1	5.1	*6.0

	Marketing year[1]			1977				1978		
	1974/75	1975/76	1976/77	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
Corn:										
Stocks, beginning (mil. bu.)	484	361	399	4,890	3,293	2,365	884	5,463	3,842	96.4
Domestic use:										
Feed (mil. bu.)	3,226	3,592	3,587	1,070	550	808	1,236	1,077	582	–
Food, seed, ind. (mil. bu.)	451	490	513	127	96	169	125	130	102	–
Feed grains:[3]										
Stocks, beginning (mil short tons)	23.7	16.9	19.0	163.8	109.2	77.4	47.8	187.1	131.5	–
Domestic use:										
Feed (mil. short tons)	116.1	128.0	124.1	36.0	18.5	28.5	42.7	37.2	19.5	–
Food, seed, ind. (mil. short tons)	17.7	18.8	19.7	4.8	4.2	6.3	4.6	4.9	4.4	–

[1] Beginning October 1 for corn and sorghum; June 1 for oats and barley. [2] No. 3 or better, 65% or better plump beginning October 1977. [3] Aggregated data for corn, sorghum, oats and barley. *Based on inspections for Export. p Preliminary.

Food grains:

	Marketing year[1]			1977		1978				
	1974/75	1975/76	1976/77	May	Dec	Jan	Feb	Mar	Apr	May
Wholesale prices:										
Wheat, No. 1 HRW, Kansas City ($/bu.)[2]	4.20	3.74	2.88	2.36	2.80	2.82	2.84	3.07	3.21	3.12
Wheat, DNS, Minneapolis ($/bu.)[2]	4.57	3.74	2.96	2.59	2.68	2.73	2.72	2.86	3.08	3.10
Flour, Kansas City ($/cwt.)	10.19	9.25	7.21	5.84	6.49	6.99	6.68	6.96	8.25	7.46
Flour, Minneapolis ($/cwt.)	11.40	10.41	8.34	6.92	7.20	7.59	7.32	7.65	8.64	8.39
Rice, S.W. La. ($/cwt.)[3]	21.50	17.20	14.60	16.45	24.15	24.00	24.00	23.75	23.50	22.00
Wheat:										
Exports (mil. bu.)	1,018	1,173	950	72	93	68	100	111	111	—
Mill grind (mil. bu.)	538	572	593	47	52	48	49	55	51	—
Wheat flour production (mil. cwt.)	239	255	263	21	23	22	22	24	23	—

	Marketing year[1]			1977				1978		
	1974/75	1975/76	1976/77	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
Wheat:										
Stocks, beginning (mil. bu.)	340	435	665	1,782	1,390	1,112	2,398	1,990	1,525	1,074
Domestic use:										
Food (mil. bu.)	521	559	553	138	82	182	148	144	—	—
Feed and seed (mil. bu.)[4]	151	163	195	75	44	178	36	44	—	—
Exports (mil. bu.)	1,018	1,173	950	179	152	382	225	279	—	—

[1] Beginning June 1 for wheat and August 1 for rice. [2] Ordinary protein. [3] Long-grain, milled basis. [4] Feed use approximated by residual.

Vegetables:

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
Wholesale prices:										
Potatoes, white, f.o.b. East ($/cwt.)	5.65	5.90	5.52	7.16	4.05	4.02	3.92	3.79	4.67	3.62
Iceberg lettuce ($/ctn.)[1]	2.70	3.57	3.23	2.85	2.78	5.68	4.27	3.66	9.77	6.49
Tomatoes ($/ctn.)[2]	5.81	6.44	6.61	7.38	7.48	7.27	6.57	7.78	11.89	7.15
Wholesale price index, 10 canned veg. (1967=100)	168	160	170	175	166	167	168	165	166	168
Grower price index, fresh commercial veg. (1967=100)	173	173	198	185	163	207	201	209	296	247

[1] Std. carton 24's, f.o.b. shipping point. [2] 2 layers, 5 x 6-6 x 6, f.o.b. Fla.-Cal.

Fruit:

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
Wholesale price indexes.										
Fresh fruit (1967=100)	157.8	160.4	177.5	187.9	160.0	177.6	183.2	188.2	200.1	194.6
Dried fruit (1967=100)	213.4	234.9	338.4	357.2	286.3	285.8	284.3	284.3	285.1	291.2
Canned fruit and juice (1967=100)	173.8	174.4	190.4	188.6	201.0	202.7	204.1	204.9	205.7	207.4
Frozen fruit and juice (1967=100)	156.5	156.2	196.5	184.7	228.6	228.6	228.7	229.9	229.9	229.9
F.o.b. shipping point prices:										
Apples, Yakima Valley ($/ctn.)[1]	7.36	7.46	9.11	9.54	9.50	9.50	9.50	10.87	11.80	15.26
Pears, Yakima Valley ($/box)[2]	6.63	7.35	6.94	6.50	8.10	8.64	9.06	11.17	14.63	19.25
Oranges, U.S. avg. ($/box)	6.76	6.72	7.44	7.22	9.53	9.69	10.17	10.18	9.51	9.86
Grapefruit, U.S. avg. ($/box)	6.18	5.76	6.34	6.50	6.26	5.91	5.91	5.83	5.66	5.63
Stocks, beginning:										
Fresh apples (mil. lb.)	2,214.1	2,569.3	2,249.0	329.3	2,710.9	2,138.0	1,656.5	751.6	431.1	184.0
Fresh pears (mil. lb.)	170.5	162.3	211.6	23.5	205.5	162.1	106.6	23.3	3.9	—
Frozen fruit (mil. lb.)	607.3	558.3	538.9	381.0	639.9	607.8	547.8	468.5	418.7	375.8
Frozen fruit juices (mil. lb.)	883.0	967.0	844.1	1,308.6	554.9	613.0	736.8	871.6	1,033.4	1,142.8

[1] Red Delicious, Washington extra fancy, carton tray pack. 80-125's: Regular storage through Feb., C.A. Storage beginning March. [2] D'Anjou pears, Washington wrapped, U.S. No. 1, 90-135's: Regular storage through Feb., C.A. Storage beginning March.

Cotton:

	Marketing year[1]			1977		1978				
	1974/75	1975/76	1976/77	May	Dec	Jan	Feb	Mar	Apr	May
U.S. price, SLM, 1-1/16 in. (cts./lb.)[2]	41.7	58.0	70.9	70.7	48.4	51.1	52.9	55.0	54.7	57.6
Northern Europe prices:										
Index (cts./lb.)[3]	52.5	65.3	81.7	81.2	59.5	64.1	66.4	68.5	69.3	70.7
U.S., SM 1-1/16 in. (cts./lb.)[4]	56.4	71.4	82.4	83.1	61.0	64.8	66.0	68.3	69.4	72.1
U.S. mill consumption (thou. bales)	5,833.7	7,227.7	6,674.4	523.2	585.7	513.0	521.4	646.2	500.4	—
Exports (thou. bales)	3,925.9	3,311.3	4,783.6	418.8	519.6	516.4	527.8	741.9	672.9	—

[1] Beginning August 1. [2] Average spot market. [3] Liverpool Outlook "A" index; average of five lowest priced of 10 selected growths. [4] Memphis territory growths.

Fats and oils:

	Marketing year[1]			1977		1978				
	1974/75	1975/76	1976/77	May	Dec	Jan	Feb	Mar	Apr	May
Soybeans:										
Wholesale price, No. 1 yellow, Chicago ($/bu.)	6.34	6.25	7.36	9.50	5.87	5.65	5.57	6.53	6.81	7.09
Crushings (mil. bu.)	701.3	865.1	790.2	61.2	86.6	85.3	75.4	86.5	80.1	82.7
Processing margin ($/bu.)[2]	.17	.16	.19	.13	.26	.32	.28	40	.14	.13
Exports (mil. bu.)	420.7	555.1	564.1	55.1	57.0	62.6	54.4	66.6	72.7	—
Soybean oil:										
Wholesale price, crude, Decatur (cts./lb.)	30.7	18.3	23.9	31.3	22.6	20.9	21.7	26.6	26.8	28.8
Production (mil. lb.)	7,375.3	9,629.8	8,677.9	682.4	931.5	911.9	809.4	943.3	866.9	908.1
Domestic disappearance (mil. lb.)	6,518.1	7,906.1	7,454.4	588.0	656.2	742.3	719.1	732.9	614.9	—
Exports (mil. lb.)	1,028.3	975.8	1,547.5	209.5	175.6	114.9	147.9	263.1	232.5	—
Stocks, beginning (mil. lb.)	793.5	560.6	1,250.6	1,478.9	766.5	859.2	913.8	856.5	803.8	823.3
Soybean meal:										
Wholesale price, 44% protein, Decatur ($/ton)	130.86	147.77	199.80	258.25	160.10	162.20	152.90	171.90	173.00	177.40
Production (thou. ton)	16,701.5	20,754.2	18,488.1	1,454.0	2,044.1	2,006.7	1,778.4	2,050.0	1,903.3	1,959.4
Domestic disappearance (thou. ton)	12,501.3	15,551.6	14,000.8	1,015.3	1,518.1	1,381.5	1,335.8	1,340.9	1,163.1	—
Exports (thou. ton)	4,298.8	5,144.8	4,559.2	473.9	520.6	618.5	454.6	721.5	659.3	—
Stocks, beginning (thou. ton)	507.3	358.3	354.9	449.0	239.8	245.1	251.7	239.7	227.3	308.2
Margarine, wholesale price, Chicago (cts./lb.)	44.3	37.9	31.4	44.3	36.1	34.5	34.6	39.0	41.7	41.5

[1] Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year 1974, 1975, and 1976 for margarine. [2] Spot basis, Illinois shipping points.

Sugar:

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
Wholesale price, N.Y. ($/cwt.)[1]	22.47	13.31	[3] 10.99	11.34	—	—	—	—	—	—
U.S. deliveries (thou. short tons)[1] [2]	9,974	10,856	[4] 11,210	875	832	764	772	927	[4] 853	[4] 923

[1] Raw value. [2] Excludes Hawaii. [3] Ten month average. [4] Preliminary.

Tobacco:

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
Prices at auctions:										
Flue-cured (cts./lb.)[1]	99.8	110.4	117.6	—	—	—	—	—	—	—
Burley (cts./lb.)[1]	105.6	114.2	120.0	—	118.3	121.3	122.1	115.5	—	—
Domestic consumption[2]										
Cigarettes (bil.)	588.3	617.1	[3] 592.0	46.7	42.9	48.4	49.3	55.3	50.3	—
Large cigars (mil.)	5,692	5,266	[3] 4,841	460.2	380.8	364.0	354.9	434.2	371.6	—

[1] Crop year July-June for flue-cured, October-September for burley. [2] Taxable removals. [3] Subject to revision.

Coffee:

	Annual			1977p		1978p				
	1975	1976	1977p	May	Dec	Jan	Feb	Mar	Apr	May
Composite green price, N.Y. (cts./lb.)	71.76	142.48	256.38	195.95	201.15	200.11	191.31	167.67	166.78	158.40
Imports, green bean equivalent (mil. lb.)[1]	2,767	2,717	1,974	253	173	228	217	230	218	n.a.

	Annual			1976		1977p				1978p
	1975	1976	1977p	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
Roastings (mil. lb.)[2]	2,454	2,519	1,892	510	611	629	428	313	522	584

[1] Green and processed coffee. [2] Instant soluable and roasted coffee. p preliminary. n.a. not available.

General Economic Data

Gross national product and related data

	Annual			1976			1977				1978
	1975	1976	1977	II	III	IV	I	II	III	IV	I
	$ Bil. (Quarterly data seasonally adjusted at annual rates)										
Gross national product[1]	1,528.8	1,706.5	1,889.6	1,691.9	1,727.3	1,755.4	1,810.8	1,869.9	1,915.9	1,961.8	1,995.3
Personal consumption expenditures	980.4	1,094.0	1,211.2	1,078.5	1,102.2	1,139.0	1,172.4	1,194.0	1,218.9	1,259.5	1,282.4
Durable goods	132.9	158.9	179.8	156.7	159.3	166.3	177.0	178.6	177.6	186.0	183.5
Nondurable goods	409.3	442.7	480.7	437.1	444.7	458.8	466.6	474.4	481.8	499.9	504.3
Clothing and shoes	70.2	76.3	83.0	74.3	76.9	79.9	79.3	80.4	83.3	89.0	85.5
Food and beverages	209.5	225.5	246.2	223.9	227.0	232.0	237.9	244.8	248.3	254.0	259.4
Services	438.2	492.3	550.7	484.6	498.2	513.9	528.8	541.1	559.5	573.7	594.6
Gross private domestic investment	189.1	243.3	294.2	244.4	254.3	243.4	271.8	294.9	303.6	306.7	320.0
Fixed investment	200.6	230.0	276.1	226.1	232.8	244.3	258.0	273.2	280.0	293.2	299.0
Nonresidential	149.1	161.9	185.1	159.8	164.9	167.6	177.0	182.4	187.5	193.5	198.8
Residential	51.5	68.0	91.0	66.3	67.8	76.7	81.0	90.8	92.5	99.7	100.1
Change in business inventories	-11.5	13.3	18.2	18.3	21.5	-.9	13.8	21.7	23.6	13.5	21.1
Net exports of goods and services	20.4	7.8	-10.9	10.2	7.9	3.0	-8.2	-9.7	-7.5	-18.2	-23.7
Exports	147.3	162.9	174.7	160.6	168.4	168.5	170.4	178.1	179.9	170.6	180.5
Imports	126.9	155.1	185.6	150.4	160.6	165.6	178.6	187.7	187.4	188.8	204.2
Government purchases of goods and services	338.9	361.4	396.0	358.9	363.0	370.0	374.9	390.6	400.9	413.8	416.6
Federal	123.3	130.1	145.4	128.5	130.2	134.2	136.3	143.6	148.1	153.8	152.7
State and local	215.6	231.2	249.6	230.4	232.7	235.8	238.5	247.0	252.9	260.0	263.8
	1972 $ Bil. (Quarterly data seasonally adjusted at annual rates)										
Gross national product	1,202.1	1,274.7	1,337.3	1,271.5	1,283.7	1,287.4	1,311.0	1,330.7	1,347.4	1,360.2	1,360.3
Personal consumption expenditures	775.1	821.3	861.2	815.5	822.7	839.8	850.4	854.1	860.4	879.8	877.9
Durable goods	112.7	127.5	138.2	126.6	127.1	130.7	136.9	137.9	136.5	141.6	137.4
Nondurable goods	307.6	321.6	333.7	319.3	321.5	329.4	329.7	330.0	332.4	342.7	337.9
Clothing and shoes	61.5	64.7	67.7	63.4	64.7	65.8	65.5	66.0	67.5	72.0	68.6
Food and beverages	151.9	159.7	167.5	158.6	160.1	163.9	165.4	166.4	167.6	170.8	169.5
Services	354.8	372.2	389.2	369.6	374.0	379.7	383.8	386.3	391.4	395.5	402.6
Gross private domestic investment	141.6	173.0	195.5	175.2	179.4	169.2	186.7	197.2	200.8	197.5	204.2
Fixed investment	151.5	164.5	183.7	163.1	165.6	171.0	177.0	184.0	185.1	188.7	189.4
Nonresidential	112.7	116.8	126.8	115.9	118.5	119.0	124.3	126.4	127.6	128.9	130.2
Residential	38.8	47.7	56.9	47.1	47.1	52.0	52.7	57.6	57.5	59.9	59.3
Change in business inventories	-9.9	8.5	11.8	12.1	13.8	-1.8	9.7	13.2	15.7	8.7	14.7
Net exports of goods and services	22.5	16.0	9.5	16.4	17.0	13.8	10.6	9.4	12.2	5.9	4.0
Exports	89.9	95.8	97.5	95.2	97.9	96.9	96.9	98.5	99.8	94.8	98.2
Imports	67.4	79.8	88.0	78.9	80.9	83.1	86.3	89.1	87.6	88.9	94.3
Government purchases of goods and services	263.0	264.4	271.1	264.4	264.6	264.6	263.3	270.0	274.0	277.0	274.3
Federal	96.7	96.5	101.4	96.1	96.7	97.1	97.0	101.1	103.3	104.2	101.7
State and local	166.3	167.9	169.7	168.4	168.0	167.5	166.4	168.9	170.7	172.8	172.6
New plant and equipment expenditures ($ bil.)	112.78	120.49	135.80	118.12	122.55	125.22	130.16	134.24	140.38	138.11	146.25
Implicit price deflator for GNP (1972=100)	127.18	133.88	141.29	133.06	134.56	136.35	138.13	140.52	142.19	144.23	146.68
Disposable income ($bil.)	1,084.4	1,185.8	1,309.2	1,174.1	1,193.3	1,222.6	1,252.4	1,292.5	1,323.8	1,368.3	1,402.1
Disposable income (1972 $bil.)	857.3	890.3	930.9	887.8	890.7	901.5	908.4	924.5	934.4	955.8	959.8
Per capita disposable income ($)	5,077	5,511	6,037	5,462	5,540	5,665	5,793	5,967	6,098	6,290	6,435
Per capita disposable income (1972 $)	4,014	4,137	4,293	4,130	4,135	4,177	4,202	4,268	4,305	4,394	4,405
U.S. population, tot. incl. military abroad (mil.)	213.6	215.1	216.8	214.9	215.4	215.8	216.2	216.6	217.1	217.5	217.9
Civilian population (mil.)	211.4	213.0	214.7	212.8	213.2	213.7	214.1	214.5	214.9	215.4	215.8

See footnotes at end of next table.

Selected monthly indicators

	Annual			1977		1978				
	1975	1976	1977p	May	Dec	Jan	Feb	Mar	Apr	May
	Monthly data seasonally adjusted except as noted									
Industrial production, total[2] (1967=100)	117.8	129.8	137.1	137.0	139.7	138.8	139.2	140.9	142.9p	143.7p
Manufacturing (1967=100)	116.3	129.5	137.1	137.1	140.5	138.7	139.4	141.4	143.0p	143.8p
Durable (1967=100)	109.3	121.7	129.5	129.3	133.4	131.1	131.5	134.4	136.4p	137.2p
Nondurable (1967=100)	126.4	140.9	148.1	148.5	150.9	149.8	150.6	151.5p	152.6p	153.2p
Leading economic indicators[1 3] (1967=100)	114.1	124.7	130.8	129.9	135.1	133.7	134.5	134.7	136.1p	135.9p
Employment[4] (Mil. persons)	84.8	87.5	90.5	90.3	92.6	92.9	93.0	93.3	93.8	94.1
Unemployment rate[4] (%)	8.5	7.7	7.0	7.1	6.4	6.3	6.1	6.2	6.0	6.1
Personal income[1] ($bil. annual rate)	1,253.4	1,382.7	1,536.7	1,517.3	1,622.7	1,625.2	1,634.5	1,656.6	1,677.9p	1,693.3
Hourly earnings in manufacturing[4 5] ($)	4.81	5.19	5.63	5.56	5.88	5.93	5.94	5.96p	5.99p	6.03
Money stock (daily average)[2] ($bil.)	[6] 294.5	[6] 312.6	[6] 336.7	322.4	336.7	339.4	339.1	340.1	345.4p	347.2p
Time and savings deposits (daily average)[2] ($bil.)	[6] 450.9	[6] 489.7	[6] 544.9	508.9	544.9	550.5	556.8	562.1p	565.9p	572.4p
Three-month Treasury bill rate[3] (%)	5.838	4.989	5.265	4.942	6.063	6.448	6.457	6.319	6.306	6.430p
Aaa corporate bond yield (Moody's)[3 7] (%)	8.83	8.43	8.02	8.05	8.19	8.41	8.47	8.47	8.56	8.68p
Interest rate on new home mortgages[5 8] (%)	9.01	8.99	9.01	8.96	9.09	9.15	9.18	9.26	9.30	9.37
Housing starts, private (including farm) (thou.)	1,160.4	1,537.5	1,987.1	1,982	2,203	1,548	1,569	2,047	2,181p	2,075p
Auto sales at retail, total[1] (mil.)	8.6	10.1	11.2	11.5	11.5	9.8	10.5	11.9p	12.5p	—
Business sales, total[1] ($bil.)	179.6	200.8	223.8	221.5	237.3	230.2	238.4	242.8	250.6p	—
Business inventories, total[1] ($bil.)	283.6	309.2	334.8	322.3	334.8	337.7	340.4	345.8	349.7p	—
Sales of all retail stores ($bil.)[9]	48.4	53.5	59.0	58.0	62.1	59.9	61.7	62.7	63.9p	63.8p
Durable goods stores ($bil.)	14.9	17.5	19.9	19.5	20.9	19.8	20.6	20.9	21.9p	21.7p
Nondurable goods stores ($bil.)	33.5	36.0	39.1	38.5	41.1	40.1	41.1	41.8	42.0p	42.1p
Food stores ($bil.)	11.5	12.2	13.0	13.1	13.4	13.6	13.9	13.9	14.2p	14.2p
Eating and drinking places ($bil.)	4.3	4.8	5.3	5.3	5.5	5.4	5.5	5.8	5.8p	5.8p
Apparel and accessory stores ($bil.)	2.6	2.8	2.8	2.7	2.9	2.7	2.8	2.9	3.0p	2.9p

[1] Department of Commerce [2] Board of Governors of the Federal Reserve System. [3] Composite index of 12 leading indicators. [4] Department of Labor, Bureau of Labor Statistics. [5] Not seasonally adjusted. [6] December of the year listed. [7] Moody's Investors Service. [8] Federal Home Loan Bank Board. [9] Adjusted for seasonal variations, holidays, and trading day differences. p. Preliminary. Note: Total business sales and inventories revised beginning 1958.

U.S. Agricultural Trade

Prices of principal U.S. agricultural trade products

	Annual			1977		1978				
	1975	1976	1977	May	Dec	Jan	Feb	Mar	Apr	May
Export commodities:										
Wheat, f.o.b. vessel, Gulf ports ($/bu.)	4.16	3.65	2.85	2.65	3.18	3.25	3.29	3.43	3.67	3.48
Corn, f.o.b. vessel, Gulf ports ($/bu.)	3.10	2.91	2.49	2.64	2.55	2.57	2.71	2.80	3.04	2.84
Grain sorghum, f.o.b. vessel, Gulf ports ($/bu.)	2.95	2.73	2.30	2.38	2.36	2.35	2.39	2.52	2.72	2.79
Soybeans, f.o.b. vessel, Gulf ports ($/bu.)	5.72	6.07	7.38	9.84	6.31	6.24	6.33	7.20	7.54	7.78
Soybean oil, Decatur (cts./lb.)	25.39	18.05	23.69	31.27	22.64	20.91	21.65	26.62	26.80	28.79
Soybean meal, Decatur ($/ton)	124.05	155.82	192.17	258.25	160.10	162.20	152.90	171.90	173.00	177.40
Cotton, 10 market avg. spot (cts./lb.)	44.70	67.70	60.48	70.65	48.42	51.05	52.89	55.01	54.72	57.59
Tobacco, avg. price of auction (cts./lb.)	103.50	105.73	114.24	109.50	117.90	117.76	117.30	115.70	117.00	117.01
Rice, f.o.b. mill, Houston ($/cwt.)	21.28	16.17	16.96	16.25	24.15	25.00	25.00	24.10	23.25	22.10
Inedible tallow, Chicago (cts./lb.)	12.04	13.27	13.61	16.75	13.15	13.62	14.12	15.44	15.75	15.75
Import commodities:										
Coffee, N.Y. spot (cts./lb.)	.77	1.42	2.41	3.05	2.05	2.09	2.03	1.79	1.72	1.67
Sugar, N.Y. spot (cts./lb.)	22.47	13.31	10.99	11.34	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cow meat, f.o.b. port of entry (cts./lb.)	60.20	71.69	68.42	67.95	71.89	77.81	86.80	90.70	101.50	102.10
Rubber, N.Y. spot (cts./lb.)	30.60	39.59	41.59	40.17	42.58	43.51	44.76	45.36	44.30	45.60
Cocoa beans, N.Y. ($/lb.)	.56	.94	1.72	1.96	1.48	1.31	1.28	1.54	1.53	1.41
Bananas, f.o.b. port of entry ($/40-lb. box)	4.41	4.67	4.17	5.79	n.a.	4.65	5.50	6.40	6.61	6.50
Canned Danish hams, ex-warehouse N.Y. ($/lb.)	1.75	1.75	1.85	1.76	1.97	2.07	2.07	2.07	1.94	1.87
Quantity Indices										
Export (1967=100)	156	174	177	179	214	n.a.	n.a.	n.a.	n.a.	n.a.
Import (1967=100)	123	138	138	139	172	n.a.	n.a.	n.a.	n.a.	n.a.
Unit Value Indices										
Export (1967=100)	221	207	210	232	204	n.a.	n.a.	n.a.	n.a.	n.a.
Import (1967=100)	203	217	235	359	217	n.a.	n.a.	n.a.	n.a.	n.a.

n.a. not available.

U.S. agricultural exports

	October-April				April			
	1976/77	1977/78	1976/77	1977/78	1977	1978	1977	1978
	Thou. units		$ Thou.		Thou. units		$ Thou.	
Animals, live, excl. poultry	—	—	54,667	63,789	—	—	5,552	8,255
Meat and preps., excl. poultry (mt)	248	235	349,291	373,339	37	32	51,158	60,505
Dairy products, excl. eggs	—	—	83,648	80,852	—	—	14,115	10,339
Poultry and poultry products	—	—	163,067	200,442	—	—	23,206	30,467
Grains and preparations	—	—	5,632,535	5,379,950	—	—	774,606	938,927
Wheat and wheat flour (mt)	12,613	16,001	1,665,811	1,929,636	2,080	2,939	263,367	368,558
Rice, milled (mt)	1,009	1,008	315,947	384,158	108	149	36,595	60,794
Feed grains (mt)	31,378	29,133	3,471,330	2,883,248	4,149	4,574	453,189	486,993
Other	—	—	179,447	182,908	—	—	21,455	22,582
Fruits, nuts, and preparations	—	—	576,775	719,756	—	—	74,832	96,695
Vegetables and preparations	—	—	441,910	347,507	—	—	58,573	56,052
Sugar and preps., incl. honey	—	—	38,964	41,532	—	—	6,364	6,004
Coffee, tea, cocoa, spices, etc. (mt)	24	33	71,082	101,960	3	5	11,516	15,907
Feeds and fodders	—	—	982,267	1,006,548	—	—	161,147	174,242
Protein meal (mt)	2,890	3,515	611,246	690,986	389	609	96,440	125,649
Beverages, excl. distilled alcoholic (hl)	255	289	13,105	14,412	46	69	2,474	3,097
Tobacco, unmanufactured (mt)	179	181	645,073	738,626	14	20	48,603	76,906
Hides, skins, and furskins	—	—	522,477	506,771	—	—	70,039	82,640
Oilseeds	—	—	3,217,854	3,252,531	—	—	544,998	543,131
Soybeans (mt)	11,170	12,756	3,013,442	2,925,022	1,552	1,979	518,377	513,096
Wool, unmanufactured (mt)	2	2	12,802	18,028	(1)	(1)	2,558	4,431
Cotton, unmanufactured (mt)	610	728	991,273	995,381	119	139	189,352	182,806
Fats, oils, and greases (mt)	806	781	316,321	322,119	133	134	54,147	57,235
Vegetable oils and waxes (mt)	701	898	409,705	541,453	99	151	62,966	95,568
Rubber and allied gums (mt)	11	5	13,343	6,617	2	(1)	1,641	369
Other	—	—	351,822	430,784	—	—	48,652	64,179
Total	—	—	14,896,981	15,142,397	—	—	2,206,499	2,507,755

[1] Less than 500. NOTE: 1 metric ton (mt) = 2,204.622 lb., 1 hectoliter (hl) = 100 liters = 26.42008 gal.

U.S. agricultural exports by regions

Region[1]	October-April		April		Change from year-earlier	
	1976/77	1977/78	1977	1978	Oct-Apr 1977/78	April 1978
	$ Mil.				Pct.	
Western Europe	5,872	5,224	788	759	-11	-4
Enlarged European Community	4,781	4,042	645	601	-15	-7
Other Western Europe	1,091	1,182	143	158	+8	+10
Eastern Europe and USSR	1,272	1,432	231	318	+13	+38
USSR	848	990	184	265	+17	+44
Eastern Europe	424	442	48	53	+4	+10
Asia	4,802	5,202	666	850	+8	+28
West Asia	585	633	76	113	+8	+49
South Asia	365	326	40	72	-11	+80
Southeast Asia, ex. Japan and PRC	1,388	1,628	232	272	+17	+17
Japan	2,463	2,477	318	374	+1	+18
Peoples Republic of China	0	138	0	20	—	—
Latin America	1,056	1,294	183	212	+23	+16
Canada, excluding transshipments	937	845	156	133	-10	-15
Canadian transshipments	169	204	45	73	+21	+62
Africa	708	850	128	151	+20	+18
North Africa	418	506	83	93	+21	+12
Other Africa	290	344	45	58	+19	+29
Oceania	82	91	9	11	+11	+22
Total[2]	14,897	15,142	2,206	2,508	+2	+14

[1] Not adjusted for transshipments. [2] Totals may not add due to rounding.

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